

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460



**OFFICE OF
AIR AND RADIATION**

November 26, 2003

Dear ENERGY STAR[®] Partner and Other Interested Parties:

After careful deliberation and consideration of comments, the Environmental Protection Agency (EPA) has decided to temporarily suspend the Energy Efficiency Ratio (EER) requirement in the ENERGY STAR residential central air-conditioning (CAC) and heat pump (HP) specification. This change will take effect on November 30, 2003, as proposed. EPA looks forward to restoring the EER requirement as soon as possible. The rest of this letter reiterates why EPA believes a temporary suspension is necessary at this time, what EPA will be doing to help restore the requirement, and what program partners are encouraged to do during the temporary suspension.

As stated in the October 20, 2003 correspondence proposing the change, EPA believes that EER is an important part of addressing the overall equipment energy-performance of central air conditioners and heat pumps for many consumers. It is important for consumers to know that their equipment will operate efficiently across a range of likely conditions, and there is ample evidence that energy performance declines at higher temperatures.

EPA is suspending the EER requirement due to the lack of a national source of information as to which products meet this requirement. As you may be aware, the Air Conditioning and Refrigeration Institute (ARI) continues its consideration of alternative ways to identify ENERGY STAR qualified product in their database. In addition, the Consortium for Energy Efficiency (CEE) has informed us that they are working closely with their membership to possibly aggregate and extend regional databases for use at a national level, with the potential of offering a national database as early as January, 2004. While we are hopeful that efforts such as these will solve this information problem in the near future, in the interim, we feel we need to suspend the EER requirement. It is important to minimize the frustration among potential buyers and sellers of ENERGY STAR qualified HVAC equipment until such time as we are fully confident a national database has been restored.

In assessing the viability of a database to serve as a national source of information on which products meet the ENERGY STAR EER requirements, EPA will consider the following: 1) the applicability of product mix at the national level; 2) the likelihood that the database will be maintained adequately for an extended period of time; and 3) the relative ease of use for consumers, contractors, and others.

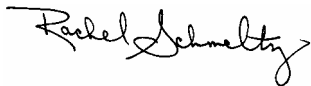
If EPA feels that adequate progress is not being made on this matter within six months of the EER suspension, it will likely intensify efforts to find a solution at the national level. Possible solutions could include an EPA initiated national database or exploring alternative measures to EER and energy efficiency concerns not addressed by SEER alone.

EPA will continue over the next several months to consult with ARI and work closely with other organizations to restore a national source of information on CAC and HP products that meet the current ENERGY STAR EER requirements as quickly as possible. Once EPA is confident that these information issues have been resolved, it will move to reinstate the EER requirement for CACs and HPs, providing one month's advance notice.

As stated in the October 20, 2003 correspondence, EPA will continue to highlight the importance of EER in educational and marketing materials as well as on the www.energystar.gov Web site. EPA also recognizes that many of its ENERGY STAR utility partners will continue to promote EER through rebates and other measures. These partners are still encouraged to use ENERGY STAR as a basic promotional platform with some additional requirements added as appropriate. In addition, because this is only a temporary change, EPA recommends that manufacturers continue to follow the current logo use guidelines for labeling equipment and logo usage in product literature.

We would like to thank all who provided feedback and comments on this issue. If you have further questions or comments on this matter, **please feel free to contact me at (202) 343-9124 or schmeltz.rachel@epa.gov, or Steve Ryan at (202) 343-9123 or ryan.steven@epa.gov.**

Respectfully,

A handwritten signature in cursive script that reads "Rachel Schmeltz".

Rachel Schmeltz, Product Manager
ENERGY STAR for Heating and Cooling Equipment