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Ms. Rachel Schmeltz
ENERGY STAR Product Manager
Environmental Protection Agency
Ariel Rios Building, SW, MS 6202J
1200 Washington Avenue, NW
Washington, DC 20460

Dear Ms. Schmeltz:

Honeywell DMC Services L.L.C. (Honeywell) would like to take this opportunity to provide general comments and recommendations on the Partner Commitments and Eligibility Criteria sections of the draft ENERGY STAR[®] Program Requirements for Air Source Heat Pumps (ASHP) and Central Air Conditioners included with the letter dated January 25, 2005.

We are a subsidiary of Honeywell dedicated to helping people and companies manage their energy and water use by delivering energy efficiency programs to residential and commercial customers on behalf of electric and gas utilities. We have direct experience with market transformation initiatives that promote the purchase and installation of ENERGY STAR rated heating and cooling equipment, with an emphasis on encouraging the highest quality installation and verification protocols. For example, in New Jersey and Massachusetts we have been directly involved with ASHP and CAC programs that result in the processing of over 10,000 units annually. This requires us to verify that the criteria for the proper matching of condenser and evaporator coils, sizing, charge and air flow have been met before incentives are distributed to the consumer and the contractor.

Honeywell applauds the EPA in its continued efforts to raise the bar by requiring industry to step up to higher standards. Your pursuit of improvements will provide consumers and businesses the opportunity for more efficient equipment installed by a better-trained workforce that delivers proper sizing, installation and commissioning. We agree that improper installation of HVAC equipment occurs more often than not and that this proposed criteria, if adopted, would help to ensure that buyers are achieving the energy and dollar savings that they have paid for and expect.

We support the continuation of ENERGY STAR labeled ASHPs and central air conditioners and believe that the EPA's new proposal to tie the brand both to a specified SEER level and a quality installation (as verified through an independent third party) will deliver the best possible benefits. These new criteria will (1) continue to foster the value that the ENERGY STAR label has cultivated in the HVAC market after the new federal regulations take place; and (2) move the traditional assigning of benefits from products only to include both products and installation. This has been accomplished in programs that are quickly gaining traction for their attention to proper installation such as Home Performance with ENERGY STAR and residential new construction programs.

As with any new concept it should be carefully thought out, be practical to administer, and work within a budget that the industry is willing to accept. Otherwise there is the risk that it will fall short of its goals or even fail in its attempt. Honeywell suggests that the EPA consider the following recommendations in order to optimize benefits and results, and to allow for the most participation in the program by the widest range of market actors.

1. Evaluate the process to implement the proposed criteria – it must be based on dependable, consistent, and practical requirements that initially can be fueled by a shift in current marketplace incentives. Independent third party verification may add cost to a sponsor's current ENERGY STAR HVAC programs. These costs must be controlled and must fall within an acceptable range in order for sponsors to adopt this new approach. The approach must also be affordable and cost effective for all members of the value chain, and leveraged incentives should encourage participation in the early life cycle of the program by both consumers and contractors.
2. Ensure that the process is repeatable, able to reach a high volume of customers, and is easy to understand and simple to use from the consumer and contractor perspective.
3. Require that acceptable approaches and methodologies to accomplish the verification of a quality installation be based on non-regressive procedures built on the latest, state of the art diagnostics that provide for automated data collection, storage, transfer and posting while preventing potential gaming.
4. Encourage high levels of consumer and contractor marketing and education in order to alleviate confusion in the marketplace while allowing for quicker acceptance and adoption.
5. Continue to promote technician installation training and certification programs that improve installation best practices but only in conjunction with an acceptable third party validation program and tool that ensures that these best practices actually make their way into the installation. Training entities, such as NATE, whose programs certify participating technicians to practice consistent, highly documented installation practices should be continually supported.

In closing, we support the EPA's proposed Partner Commitments and Eligibility Criteria and we thank you for the opportunity to participate in the process. Please contact me if you have any questions or would like additional information.

Sincerely,

Susan Komornik
National Sales Manager, Energy Management
Honeywell Utility Solutions