

### AIR-CONDITIONING & REFRIGERATION INSTITUTE

Representing Manufacturers of Heating, Ventilating, Air-Conditioning and Refrigeration Products

November 4, 2004

Mrs. Rachel Schmeltz Energy Star Program Manager Environmental Protection Agency Ariel Rios Building, SW, MS 6202J 1200 Pennsylvania Avenue, NW Washington, DC 20460

Dear Mrs. Schmeltz:

The Air-Conditioning and Refrigeration Institute (ARI) appreciates the opportunity to provide comments on the proposed revisions to the Environmental Protection Agency (EPA) Energy Star Central Air Conditioner and Air Source Heat Pumps specifications.

ARI is a North American trade association representing the manufacturers of over 90% of U.S. produced air conditioning and commercial refrigeration equipment. ARI represents a domestic industry of approximately 200 air conditioning and refrigeration companies, employing approximately 150,000 men and women in the United States. The total value of member shipments by these companies is over \$30 billion annually.

### **General Comments**

ARI believes that the Energy Star program has been valuable to all stakeholders and in particular to the HVAC industry as demonstrated by the large number of manufacturers that participate in it. The program has helped manufacturers differentiate their products and has been instrumental in promoting the sale of high efficient air conditioners and heat pumps.

ARI strongly supports the continuation of an Energy Star specification for residential central air conditioners and heat pumps. However, as the new minimum federal efficiency standard is increased by 30% to 13 SEER, we caution EPA against making the program too burdensome and too complicated to implement. Key elements for a continued success of the program are simplicity and added value to all stakeholders – consumers, utilities, contractors, distributors and manufacturers.

# **Equipment Criteria**

Given that the new minimum federal energy efficiency standards will be at 13 SEER/7.7 HSPF in 2006, it is clear that the new Energy Star specifications should be at a higher efficiency level. However, in setting that higher efficiency level, it is imperative that EPA look at product availability over a full range of cooling capacities. By analyzing the ARI directory, it can be seen that product availability at the proposed levels becomes an

issue at 5 tons and higher. For example, <u>no packaged air conditioners</u> and only two OEM split system combination models qualify at 5 tons.

Clearly, some adjustments to the proposed specifications are necessary, in particular when it comes to single-packaged equipment. Only 17 single-packaged air conditioners from one single manufacturer qualify. There are no single-packaged heat pumps at the proposed levels.

ARI understands that one of the reasons EPA proposed these efficiency levels was to be consistent with the efficiency tiers offered by CEE and the availability of the CEE/ARI database to identify qualified models. We do not believe that the specifications should be set in this manner. We feel that EPA has an obligation to set the specifications at levels that can demonstrate benefit and value to all parties involved (consumers, utilities, contractors, distributors and manufacturers). If EPA decides to adopt a level different from one of the CEE tiers, we believe that CEE will voluntarily reassess its specification and readjust its minimum tier level to be consistent with Energy Star. In the event that CEE opts not to, ARI will consider developing a directory just for Energy Star.

ARI strongly recommends that options AC be deleted from the specifications for the following reasons:

- The evaporator access/maintainability option is totally impractical until an industry standard is developed that would define what "airtight" means and how to measure for it. In addition, the option of an on-board diagnostic indicator will add a level of complexity to the equipment which will translate into reliability issues and ultimately added cost to the consumers.
- The evaporator measurement access port presents several challenges. First it is
  not always convenient, nor always accurate to place the access port on the inlet
  side of the evaporator. In many occasions, a more accurate reading is obtained
  in the duct. Second, locating and drilling a hole in the field adds considerable
  risk for damaging the coil. Third, this additional work will again translate into
  additional cost to the consumer.
- The requirement for factory-installed flow metering device is design-prescriptive and has no place in the specification. ARI strongly believes that it is not the role of EPA to dictate the type of metering device that Energy Star products need to have. This decision should be left to the manufacturer.

## **Installation Criteria**

ARI supports adding an installation component to the specification. However, before moving forward with this initiative, we recommend that EPA carefully evaluate the cost-effectiveness of such program and its impact on consumers and contractors. In addition, we feel that the installation criteria as presently drafted needs additional development. Therefore, we strongly recommend that a task force comprised of contractors, manufacturers, utilities and other stakeholders be put together to refine and finalize the quality installation program. The stakeholder Task Force could be organized by a group like ACCA and could provide valuable input on this part of the program.

## Field Verification

ARI is not opposed to the implementation of a verification program as part of Energy Star. However, as with the quality installation component, implementing such a program will add complexity and cost. Ultimately, this added cost will be passed to consumers. Therefore, it is necessary that EPA fully assesses the impact of this added cost before implementing the program.

In order to be successful, this verification program should first have a set of rules and requirements. As such, ARI recommends that EPA similarly receive comments from a stakeholder task force comprised of a variety of industry experts to develop the characteristics of the verification program. An additional task for the task group could be to evaluate how the verification program would be implemented.

### **Labeling Qualified Systems**

ARI is very concerned with EPA's intention to replace the current labeling procedure with the use of a provisional label on sales literature or other means. We believe that the option to label the system only after the equipment is installed correctly unfairly penalizes manufacturers. EPA must realize that manufacturers have absolutely no control over how their equipment is being installed and who does the installation in the field. In addition, to minimize printing cost, manufacturers have the option to integrate the Energy Star logo into the Federal Trade Commission (FTC) "EnergyGuide" label, which is required, under FTC regulations, to be attached to the equipment when it leaves the factory. Finally, without an Energy Star label on the equipment at the time of purchase, there is serious doubt that consumers would be properly informed that the product meets the Energy Star minimum energy efficiency requirements. Therefore, we urge EPA to keep requiring a label on the equipment.

### Phase In of New Specification

It is clear that both the quality and verification installation programs will need further development and refinement and will not be ready for the January 2006 launch of the revised specifications of the Energy Star program. Consequently, we recommend that the new specifications be phased in over a period of time, with first the launch of the revised energy efficiency specifications effective January 23, 2006, and later, the implementation of the quality and verification installation programs. However, EPA should take all the time necessary to develop an effective quality and verification installation program that has the support of all stakeholders.

We appreciate the opportunity to submit these comments. If you have any questions regarding this submission, please feel free to contact me.

Sincerely.

Karim Amrane

Director, Public Policy

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