



AMERICAN PUBLIC GAS ASSOCIATION

August 18, 2014

Federal Trade Commission
Office of the Secretary
600 Pennsylvania Avenue, NW
Suite CC-5610 (Annex B)
Washington, DC 20580

RE: Federal Trade Commission (FTC) June 18, 2014 Supplemental Notice of Proposed Rulemaking on Energy Labeling Rule Regulatory Review (16 CFR Part 305)

To the Office of the Secretary,

The American Public Gas Association (APGA) appreciates this opportunity to submit comments in response to the Federal Trade Commission's (Commission) June 18, 2014 Supplemental Notice of Proposed Rulemaking on Energy Labeling Rule Regulatory Review. Our comments are focused on the energy labeling requirements for furnaces.

APGA is the national association for publicly-owned natural gas distribution systems. There are approximately 1,000 public gas systems in 37 states and over 700 of these systems are APGA members. Publicly-owned gas systems are not-for-profit, retail distribution entities owned by, and accountable to, the citizens they serve. They include municipal gas distribution systems, public utility districts, county districts, and other public agencies that have natural gas distribution facilities.

APGA agrees that it would be premature for the Commission to include any energy labeling based on regional standards. The Commission should only require furnaces to maintain labels with the current standards. However, the proposed label still implies a national regional standard. APGA believes the Commission label should include additional language above the ENERGY STAR® logo that states, "This furnace qualifies for the Department of Energy (DOE) and Environmental Protection Agency's (EPA) volunteer ENERGY STAR® program". As previously discussed, the Commission recognizes the fallacy in proposing a label with the DOE's regional standard that were vacated and remanded by the Courts. The current proposed label is still insinuating a regional furnace standard, and this will only continue to mislead consumers.

APGA would also like to recommend to the Commission the need to utilize source based energy analysis. We believe energy labels using a source based energy analysis instead of the current, antiquated site based analysis will make the Commission's labeling requirements even stronger. As the various Federal Agencies and individual states begin to address greenhouse gas emissions, they will need to turn energy efficiency programs and energy efficient appliances to

meet pollution reduction goals. The use of source based energy analysis in your labeling will allow utilities, regulators and consumers to understand not only the energy saving associated with an appliance but also the environmental benefits of the appliance. This will only gain in importance as states continue to adopt energy efficiency programs into their environmental programs.

DOE itself has recognized the shortcoming of site-based analysis. The National Academy of Sciences has also recognized this, as noted in a 2009 report. The EPA's ENERGY STAR® Portfolio Manager program is already utilizing and promoting the use source based energy analysis.

When labeling standards are established using the source based analysis, the Commission will be able to fully identify the emissions reduction through the entire energy cycle.

There is nothing preventing the Commission from adopting a superior, more comprehensive source based methodology. APGA strongly encourages the Commission to begin to utilize the source based analysis when establishing energy labeling standards for appliances.

APGA thanks the Commission for its consideration of these comments. Please do not hesitate to contact us if you would like to further discuss our comments and recommendations.

Respectfully submitted,



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