

## **AMERICAN PUBLIC GAS ASSOCIATION**

June 28, 2022

Abigail Daken, EPA Manager ENERGY STAR HVAC Program U.S. Environmental Protection Agency 1201 Constitution Ave NW Washington, DC 20004

Submitted via email to WaterHeaters@energystar.gov

RE: Comments on Proposed Final Draft Version 5.0 ENERGY STAR® Water Heater Specification

## Ms Daken:

The American Public Gas Association (APGA) appreciates the opportunity to provide comments in response to the U.S. Environmental Protection Agency's (EPA) Final Draft Version 5.0 ENERGY STAR® Water Heater Specification. Although not appliance manufacturers, our members provide the energy needed to fuel gas-fired water heaters and some APGA members utilize the ENERGY STAR® labeling program to identify appliances that qualify for rebates offered to customers, making public natural gas utilities a critical stakeholder in this work.

APGA is the trade association for more than 730 communities across the U.S. that own and operate their retail natural gas distribution entities. They include not-for-profit gas distribution systems owned by municipalities and other local government entities, all locally accountable to the citizens they serve. Public gas systems focus on providing safe, reliable, and affordable energy to their customers and support their communities by delivering fuel to be used for cooking, clothes drying, and space and water heating, as well as for various commercial and industrial applications.<sup>1</sup>

APGA appreciates the need for EPA to promulgate more stringent specifications as appliances on the market continue to improve their efficiency and welcomes EPA's acknowledgement that "requiring heat pump levels for gas storage water heaters remains premature based on the market and technology." While we are pleased to see the final draft specification encompass gas-fired storage water heating equipmnent that is commercially available, APGA remains concerned that the new efficiency levels required to qualify for the ENERGY STAR® label will

<sup>&</sup>lt;sup>1</sup> For more information, please visit <u>www.apga.org</u>.

prevent some consumers from identifying the best replacement appliance for their specific situation.

Many homes still utilize non-condensing gas-fired water heaters, which cannot be easily be substituted with a condensing counterpart without costly retrofits, if even possible. Without the ENERGY STAR® label guiding their choices, a consumer replacing an existing non-condensing appliance will be confronted with confusion and a difficult choice when selecting from the gas-fired storage water heaters on the market that can serve as replacemnt, a daunting task for many without the time to determine which appliance may best fit their needs and budget. This contradicts ENERGY STAR®'s own motto: "The simple choice for saving energy."

Additionally, we also urge EPA to not sunset the gas water heating criteria in the near future, as it proposes to do. Many Americans will continue to rely on natural gas to heat their water, and removal of the ENERGY STAR® label from all gas-fired water heating products will only hinder their appliance purchasing decisions. Furthermore, as noted in a letter APGA sent to Director Bailey last year, removing ENERGY STAR® labeled options for gas-fired appliances will limit innovation, risk energy resiliency, and squander existing energy infrastructure efficiencies while failing to enlighten the public.

According to the ENERGY STAR® Products Program Strategic Vision and Guiding Principles,<sup>3</sup> "[t]he ENERGY STAR product labeling program reduces greenhouse gas emissions by removing barriers in the market that deter consumers and businesses from easily identifying the financial and environmental benefits of purchasing the most energy efficient product model that otherwise meets their needs." Sunsetting the gas water heating criteria would not further this goal. In fact, it may actually do the opposite by encouraging consumers to purchase less efficient appliances that end up costing them more over the life of the appliance.

Sunsetting the specification would also unduly discriminate against gas-fired water heaters, despite the high efficiency that the direct use of natural gas provides to homes and businesses, paired with its affordable and reliable energy source. Efforts to promote electrification by the EPA through ENERGY STAR® are contrary to the program's statutory obligation. Diverting the public from gas-fired water heaters will increase and not "reduce energy consumption"; nor does it "reduce pollution" because the direct use of natural gas in hot water heaters is more efficient than electricity, and electricity for the foreseeable future is created in substantial part in nearly ever corner of the U.S. with natural gas. Thus EPA's suggestion that it will sunset its gas water heater criterias is legally infirm as it cannot contradict its congressional mandate in this manner.

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<sup>&</sup>lt;sup>2</sup> Letter from APGA to ENERGY STAR Product Labelling Director re: changes to ENERGY STAR's Most Efficient list, which banned all gas-fired appliances from the designation (Oct. 6, 2021).

<sup>&</sup>lt;sup>3</sup> EPA, ENERGY STAR® Products Program Strategic Vision and Guiding Principles, <a href="https://www.energystar.gov/ia/partners/prod-development/downloads/guiding-principles-2012.pdf">https://www.energystar.gov/ia/partners/prod-development/downloads/guiding-principles-2012.pdf</a> (Jan. 2012). <sup>4</sup> 42 USC Section 6294a.

We thank you for the review and consideration of these comments. If you have any questions regarding this submission, please do not hesitate to contact us.

Respectfully submitted,

Dave Schryver

President & CEO

American Public Gas Association

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