

**APGA Opening Statement at October 17th Public Meeting
Re DOE Furnace SNOPR**

My name is David Schryver; I am the Executive Vice President of the American Public Gas Association (APGA). We appreciate the opportunity to make this brief opening statement.

APGA is the national association for publicly-owned natural gas distribution systems. There are approximately 1000 public gas systems in 37 states, and over 720 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 is extremely disappointed that the Department of Energy (DOE) has once again proposed a new energy conservation standard for residential, natural gas-burning furnaces that will harm consumers and ultimately undermine energy efficiency. If implemented, the proposed rule will cause uneconomic fuel switching as many consumers—especially but not exclusively in southern states—will be compelled to abandon their natural gas furnaces for less expensive and less efficient electric alternatives. If implemented, the SNOPR will compel consumers to make uneconomic choices that will hurt low and fixed-income families, homeowners in the south, and many who live in condos or rowhomes in all sections of the country.

Following the issuance of the March 2015 Notice of Proposed Rulemaking (NOPR) in this docket, APGA submitted in-depth technical analyses showing that there are significant flaws in the science and data that DOE utilized to try to economically justify the proposed rule. Based upon our initial review of the latest technical support data that DOE has utilized to support its most recent SNOPR proposal, DOE continues to rely upon faulty analytics and assumptions in key areas to support a national standard for residential furnaces. The introduction of a small furnace exception does not cure these deficiencies, but does further illustrate the need for and propriety under the EPCA of separate efficiency standards for condensing and non-condensing furnaces.

I am accompanied by the technical experts from the Gas Technology Institute, an independent, non-profit technology organization engaged in research and development addressing energy issues. GTI has been engaged by APGA and the American Gas Association to assist in analyzing the SNOPR and its technical underpinnings. It is very important that DOE afford APGA and its technical consultant sufficient time to thoroughly review the huge and complex record in this case, as well as the transcript of today's proceeding, and in that regard we (along with AGA) have requested that the comment period be extended to 90 days from the date of publication. We have also requested a prompt ruling on that request, and I reiterate that request today.

We look forward to the discussion today.