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The American Public Gas Association Files Brief Challenging DOE's Direct Final Rule on Furnaces

Brief asks court to vacate DOE's direct final rule because it violates part of the Energy Policy and Conservation Act

Washington, D.C. (May 14, 2012) –Today, the American Public Gas Association (APGA) filed its brief with the U.S. Court of Appeals for the D.C. Circuit to appeal a Department of Energy (DOE) direct final rule (DFR) entitled "Energy Conservation Standards for Residential Furnaces and Residential Central Air Conditioners and Heat Pumps." The DFR, among other things, established a 90% efficiency standard for residential furnaces in the 30-state northern region.

The appeal contends that DOE, in issuing the new furnace standard, violated the Energy Policy and Conservation Act requirements by, among other things, failing to economically justify the new 90% standard, banning a product class, failing to withdraw the direct final rule despite substantive opposition by relevant parties, ignoring fuel switching, and relying on non-transparent documents to support its economic justification. APGA asks the court to vacate the direct final rule and remand the matter to DOE for a notice-and-comment rulemaking.

"APGA is a strong supporter of energy efficiency. We applaud raising appliance and equipment efficiency standards when the new standards are cost-effective and actually reduce both energy use and emissions," said Bert Kalisch, president and CEO for the American Public Gas Association. "However, DOE's direct final rule for furnaces is actually a step backwards. This rule is more costly for many American consumers who wish to continue heating their home with natural gas, and there will be a significant amount of fuel switching that will increase both total energy use and emissions. Knowing the complexity of the subject and various interests involved, DOE's decision to force this far-reaching new standard via a direct final rule was inappropriate and, in our view, unlawful."

A copy of APGA's brief is available on the APGA website at www.apga.org/filings.

APGA is the national association of municipally and publicly-owned local distribution systems. There are about 1000 public gas systems serving more than five million customers. These public gas utilities are not-for-profit retail distribution entities that are 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.