

From: [Rose, Kevin](#)
To: [Margaret Song](#); [Downes, Mary](#); [Boucher, Francis B.](#); [Vavak, Amy B.](#); "[david.giza-sisson@eversource.com](#)"; [Gail Azulay](#); [Phil Moffitt](#); "[lberger@nisource.com](#)"; "[Trish Walker](#)"; "[andrea.villamaino@berkshiregas.com](#)"; [Reynolds, Meera](#); "[aimee.powelka@eversource.com](#)"; [Blake, William R.](#); [Coughlin, Thomas J. Jr.](#)
Cc: "[Bijit Kundu](#)"
Subject: RE: EXT || DOE Regulatory Reform RFI DRAFT Comment letter
Date: Monday, July 10, 2017 2:27:11 PM
Attachments: [image001.jpg](#)
[DRAFT Regulatory Reform Comments 2July2017 MD mms KR.docx](#)

*******CAUTION:** This email was sent from an EXTERNAL source. Think before clicking links or opening attachments.*****

All- Please see attached for my comments which build off the previously sent versions. As a reminder, Mary has set a deadline of tomorrow COB for our comments on this.

I made the following edits to the document:

- Rearranged narrative to elevate one important section (EPCA safeguards) that, IMO, was previously a bit buried
 - In doing so, added section titles and supporting language to improve readability/flow
- Underscored key points in question response section
- Took care of a few grammatical/consistency/typo fixes (but thank you to Mary (Downes) and Margaret for taking care of most of these already).

~~~~~  
Kevin Rose  
Senior Program Manager, Mass./R.I. Codes & Standards  
781.907.3595  
[Nationalgrid](#)

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**From:** Margaret Song [<mailto:msong@capelightcompact.org>]  
**Sent:** Thursday, July 06, 2017 2:47 PM  
**To:** Downes, Mary; Boucher, Francis B.; Anderson, Mary; Vavak, Amy B.; 'david.giza-sisson@eversource.com'; Gail Azulay; Phil Moffitt; 'lberger@nisource.com'; 'Trish Walker'; 'andrea.villamaino@berkshiregas.com'; Reynolds, Meera; 'aimee.powelka@eversource.com'; Blake, William R.; Coughlin, Thomas J. Jr.; Rose, Kevin  
**Cc:** 'Bijit Kundu'  
**Subject:** RE: EXT || DOE Regulatory Reform RFI DRAFT Comment letter

Please see my edits for consideration.

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**From:** Downes, Mary [<mailto:downesm@unitil.com>]  
**Sent:** Monday, July 3, 2017 11:16 AM  
**To:** Boucher, Francis B. <[Francis.Boucher@nationalgrid.com](mailto:Francis.Boucher@nationalgrid.com)>; Anderson, Mary <[M3AK@pge.com](mailto:M3AK@pge.com)>; Margaret Song <[msong@capelightcompact.org](mailto:msong@capelightcompact.org)>; Vavak, Amy B. <[Amy.Vavak@nationalgrid.com](mailto:Amy.Vavak@nationalgrid.com)>; 'david.giza-sisson@eversource.com' <[david.giza-sisson@eversource.com](mailto:david.giza-sisson@eversource.com)>; Gail Azulay <[gazulay@capelightcompact.org](mailto:gazulay@capelightcompact.org)>; Phil Moffitt <[pmoffitt@capelightcompact.org](mailto:pmoffitt@capelightcompact.org)>; 'lberger@nisource.com' <[lberger@nisource.com](mailto:lberger@nisource.com)>; 'Trish Walker' <[Trish.Walker@libertyutilities.com](mailto:Trish.Walker@libertyutilities.com)>; 'andrea.villamaino@berkshiregas.com' <[andrea.villamaino@berkshiregas.com](mailto:andrea.villamaino@berkshiregas.com)>; Reynolds, Meera <[reynoldsm@unitil.com](mailto:reynoldsm@unitil.com)>;

'aimee.powelka@eversource.com' <[aimee.powelka@eversource.com](mailto:aimee.powelka@eversource.com)>; Blake, William R. <[William.Blake@nationalgrid.com](mailto:William.Blake@nationalgrid.com)>; Coughlin, Thomas J. Jr. <[Thomas.Coughlin@nationalgrid.com](mailto:Thomas.Coughlin@nationalgrid.com)>; Rose, Kevin <[Kevin.Rose@nationalgrid.com](mailto:Kevin.Rose@nationalgrid.com)>  
**Cc:** 'Bijit Kundu' <[BKundu@energy-solution.com](mailto:BKundu@energy-solution.com)>  
**Subject:** RE: EXT || DOE Regulatory Reform RFI DRAFT Comment letter

I had time to go through this and have made some suggested edits.

Mary Downes  
Manager  
Energy Efficiency Administration & Compliance



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**From:** Boucher, Francis B. [<mailto:Francis.Boucher@nationalgrid.com>]

**Sent:** Monday, July 03, 2017 8:59 AM

**To:** Anderson, Mary <[M3AK@pge.com](mailto:M3AK@pge.com)>; 'Margaret Song' <[msong@capelightcompact.org](mailto:msong@capelightcompact.org)>; Vavak, Amy B. <[Amy.Vavak@nationalgrid.com](mailto:Amy.Vavak@nationalgrid.com)>; 'david.giza-sisson@eversource.com' <[david.giza-sisson@eversource.com](mailto:david.giza-sisson@eversource.com)>; 'Gail Azulay' <[gazulay@capelightcompact.org](mailto:gazulay@capelightcompact.org)>; 'Phil Moffitt' <[pmoffitt@capelightcompact.org](mailto:pmoffitt@capelightcompact.org)>; 'lberger@nisource.com' <[lberger@nisource.com](mailto:lberger@nisource.com)>; 'Trish Walker' <[Trish.Walker@libertyutilities.com](mailto:Trish.Walker@libertyutilities.com)>; 'andrea.villamaino@berkshiregas.com' <[andrea.villamaino@berkshiregas.com](mailto:andrea.villamaino@berkshiregas.com)>; Downes, Mary <[downesm@unitil.com](mailto:downesm@unitil.com)>; Reynolds, Meera <[reynoldsm@unitil.com](mailto:reynoldsm@unitil.com)>; 'aimee.powelka@eversource.com' <[aimee.powelka@eversource.com](mailto:aimee.powelka@eversource.com)>; Blake, William R. <[William.Blake@nationalgrid.com](mailto:William.Blake@nationalgrid.com)>; Coughlin, Thomas J. Jr. <[Thomas.Coughlin@nationalgrid.com](mailto:Thomas.Coughlin@nationalgrid.com)>; Rose, Kevin <[Kevin.Rose@nationalgrid.com](mailto:Kevin.Rose@nationalgrid.com)>

**Cc:** 'Bijit Kundu' <[BKundu@energy-solution.com](mailto:BKundu@energy-solution.com)>

**Subject:** RE: EXT || DOE Regulatory Reform RFI DRAFT Comment letter

This is pretty dense reading for sure. There is one thing that caught my attention and that was the comment that there should be some focus on water efficiency due to the severe droughts we have been experiencing. There is another angle that could be promoted here. Electric generation consumes tremendous amounts of energy in the country so it would seem we could quantify water savings being achieved already even from those appliances that don't have water consumption directly.

Fran Boucher  
Senior Engineer  
New Products and Services  
National Grid

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Waltham, MA 02451

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[francis.boucher@nationalgrid.com](mailto:francis.boucher@nationalgrid.com)

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**From:** Anderson, Mary [<mailto:M3AK@pge.com>]  
**Sent:** Monday, July 03, 2017 12:34 AM  
**To:** 'Margaret Song'; Vavak, Amy B.; Boucher, Francis B.; 'david.giza-sisson@eversource.com'; 'Gail Azulay'; 'Phil Moffitt'; 'lberger@nisource.com'; 'Trish Walker'; 'andrea.villamaino@berkshiregas.com'; 'Mary Downes ([downesm@unitil.com](mailto:downesm@unitil.com))'; 'Meera Reynolds ([reynoldsm@unitil.com](mailto:reynoldsm@unitil.com))'; 'aimee.powelka@eversource.com'; Blake, William R.; Coughlin, Thomas J. Jr.; Rose, Kevin  
**Cc:** 'Bijit Kundu'  
**Subject:** EXT || DOE Regulatory Reform RFI DRAFT Comment letter

We have a DRAFT RFI comment letter for your review. We have modified the comments based upon feedback from Eversource as a beginning point. Please review the comment letter and provide your input by COB July 11, 2017. The revised comment letter out on July 12<sup>th</sup> for final review and approval. Final approvals will be due by COB July 13<sup>th</sup> along with the appropriate logo for use on the letter, signatory name and signature. Please let me know if you have any questions or would like to talk through the comments or the process. Thanks for your help!

Mary Anderson

**PG&E | Expert Program Manager**

**3401 Crow Canyon Road, Building 414 | San Ramon, CA 94583 | Mail Code: BLDG 414**

**Phone: 415.603.1817 |**

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( )

Comment [BK1]: Will include company logos of participating utilities.

August 1, 2017

Mr. Daniel Cohen  
U.S. Department of Energy  
Office of the General Counsel  
1000 Independence Avenue, SW.  
Washington, DC 20585

ID Number: DOE\_FRDOC\_0001-3375

Dear Mr. Cohen:

This letter comprises the comments of \_\_\_\_\_ list participating utilities and energy efficiency service providers—\_\_\_\_\_ in response to the Department of Energy’s (DOE’s) Request for Information (RFI) as part of its implementation of Executive Order 13771 (Office of the White House, 2017). These comments focus specifically on DOE’s Appliance and Equipment Standards Program and the energy efficiency standard and test procedure regulations developed and implemented by this program.

The signatories of this letter, collectively referred to herein as the Energy Utility Coalition, represent some of the largest a diverse range of utility companies and energy efficiency service providers in the United States, serving over XX million customers combined. As energy companies and efficiency organizations, we understand the potential of DOE’s regulations, developed and updated by the Appliances and Commercial Equipment Standards Program, to cut costs and reduce energy consumption for our customers while maintaining or increasing consumer (utility) of the value of covered products and appliances. We believe have witnessed the application of existing appliance standards developed by DOE over the past two decades and seen their effectiveness in have significantly limited the growth of energy consumption for covered products. These standards and have been an effective and critical tool in reducing energy use in homes and businesses nationwide, freeing up economic resources for more productive use.

Comment [DM2]: Isn’t the collective size, or the diversity of our sizes more important than the individual size of companies signing on? This sentence makes small companies like Unital seem irrelevant.

Comment [MS3]: In addition, Cape Light Compact is not a utility, so I have added some language to include us.

Comment [DM4]: This is an odd and confusing word here. I assume this means “utility” in the economic sense of the word, but that’s not clear enough.

Utilities and energy efficiency service providers in on this Utility-Energy Coalition have been involved with DOE’s Appliance and Equipment Standards Program since 2005, as stakeholders in DOE’s public rulemaking process and as formal members of the general Appliance Standard and Rulemaking Federal Advisory Committee (ASRAC). We appreciate DOE’s efforts to solicit input from stakeholders on how best to implement Executive Order 13771 to achieve meaningful burden reduction while continuing to meet DOE’s statutory responsibilities in accordance with the Energy Policy and Conservation Act of 1975 (EPCA), as amended.<sup>1</sup> The Utility-Energy Coalition asks DOE to carefully consider the following comments in response to this RFI.

Comment [MAnderson5]: National Grid

<sup>1</sup> 42 U.S.C. §6295

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***By Law, DOE's Appliance and Equipment Standards Program is Already Screened for Cost-Effectiveness and Designed for Continued Market Relevance***

DOE's regulatory reform task force is tasked with identifying regulations that impose costs that exceed benefits. EPCA has safeguards in place to ensure efficiency regulations do not violate this requirement with the following provisions:

*(B)(i) In determining whether a standard is economically justified, the Secretary shall, after receiving views and comments furnished with respect to the proposed standard, determine whether the benefits of the standard exceed its burdens by, to the greatest extent practicable, considering—*

*(I) the economic impact of the standard on the manufacturers and on the consumers of the products subject to such standard;*

*(II) the savings in operating costs throughout the estimated average life of the covered product in the type (or class) compared to any increase in the price of, or in the initial charges for, or maintenance expenses of, the covered products which are likely to result from the imposition of the standard;*

*(III) the total projected amount of energy, or as applicable, water, savings likely to result directly from the imposition of the standard.*

Specifically, the statute requires every energy efficiency standards regulation promulgated by DOE to be "economically justified", specifically requiring that the cumulative benefits of the regulation exceed the cumulative costs. In information we provide further below, DOE has actually overestimated the actual costs of many regulations, thereby resulting in outcomes that are even more economically justified.

As directed by Executive Order 13777, the regulatory reform task force shall also identify regulations that are "outdated." Here again, EPCA provides statutory requirements to ensure that efficiency standards and test procedures are reviewed on a periodic basis. Since DOE has expanded the Appliance and Equipment Standards Program to cover a larger share of home, commercial, and industrial energy use, it is increasing important for DOE to maintain its ability to update current energy efficiency standard and test procedure regulations on a periodic basis to ensure standards remain relevant.

The remainder of this letter is divided into two main sections: in the first, we elaborate on the high-level impacts and benefits of DOE's Appliance and Equipment Standards Program; and in the second we respond to each of the specific questions in the RFI.

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## Program Impacts

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### Energy Efficiency Regulation Impacts: Nationwide

As directed by Executive Order 13777, the regulatory reform task force will identify regulations that, among other things, are “ineffective.” The Utility Energy Coalition believes DOE’s appliance and test procedure regulations are among the most impactful and effective policy tools in reducing wasteful energy consumption and driving technology innovation. DOE currently develops, updates, and implements energy efficiency regulations and test procedures for more than 60 appliances. These products represent about 90% of home energy use, 60% of commercial building energy use, and 30% of industrial energy use. Nationally, the cumulative positive impacts of these regulations are massive: by 2020 an estimated \$1 trillion on consumers’ utility bills and 71 quadrillion British thermal units (quads) of energy (U.S. Department of Energy, 2017). DOE efficiency regulations have had a significant impact on energy demand since the mid-1990s. Figure 1 depicts the cumulative annual energy savings, in quads, from DOE energy efficiency regulations since the first standards took effect.

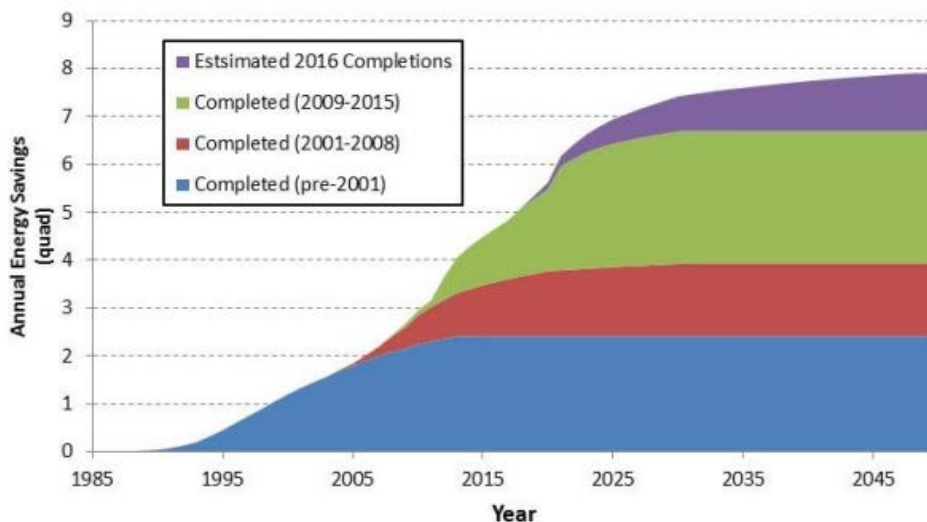


Figure 1: Energy Savings as a Result of DOE Appliance Efficiency Regulations

Source: (U.S. Department of Energy, 2016)

### Energy Efficiency Regulation Impacts: States and Utilities/Energy Efficiency Service Providers

Many states have compelling needs for stringent appliance efficiency standards, either due to energy costs, state policy goals, regional differences, or other factors. As an example, the Massachusetts Global Warming Solutions Act (GWSA) set aggressive goals to reduce greenhouse gases by 25% below the 1990 baseline emissions level. Aggressive energy goals like



these were intended to be achieved in part through cost-effective energy measures. Federal appliance standards can be one of the strongest policy tools for reducing energy use in existing buildings and reducing greenhouse gases.

Utility [and energy efficiency service provider](#) rebate and other voluntary programs that incentivize efficient products, such as the Environmental Protection Agency's (EPA's) ENERGY STAR® Program, are critical to achieving economies of scale and driving cost down for advanced efficiency technologies. These programs require energy consumption metrics based on DOE test procedure regulations. Thus, [it](#) is critical for test procedures to be periodically reviewed and updated, as prescribed in EPCA, to ensure the energy metrics are representative of new features, technologies, and actual performance.




***Energy Efficiency Regulation Impacts: Driving Innovation***

DOE energy efficiency regulations advance innovation in energy efficiency [technology](#). Following research and development, voluntary programs support commercialization of emerging technologies. Adoption into regulations stimulates the development [by appliance manufacturers](#) of new, differentiated products in response to the transition of a high-margin product to the industry standard. This process continues cyclically, as efficiency regulations are adopted and updated periodically, driving towards greater cost-effective efficiency innovations with each cycle (Eilert, Naaf, McHugh, Chase, & Zhang, 2012).

In a retrospective study looking at the effect of DOE efficiency regulations, the study authors found that for each of ten different products examined manufacturers introduced [and expanded](#) the availability of new features as efficiency regulations took effect (Mauer, deLaski, Nadel, Fryer, & Young, 2013).

A summary of all of the benefits of energy efficiency regulations are outlined in Figure 3, a table from DOE's latest fact sheet on appliance standards.

**The Appliance Standards Program provides benefits for the nation, individual consumers and businesses, and manufacturers.**

- 
  - Saves billions of dollars on energy costs to put back into the economy
  - Reduces energy waste by increasing energy efficiency
  - Creates and protects manufacturing jobs in the U.S.
  - Spurs innovation and competition in the marketplace
- 
  - Generates significant utility bill savings for households and businesses
  - Increases the availability and affordability of energy efficient products
  - Disseminates reliable and comparable product operating cost information
  - Provides access to improved products with new features and comfort attributes
- 
  - Reduces regulatory burden by pre-empting a potential patchwork of state standards with a single Federal standard
  - Protects manufacturers of quality products from those manufacturing inferior products, including imports
  - Creates economies of scale which decrease costs to develop and produce innovative energy efficient technologies
  - Facilitates market introduction of energy efficient technologies by validating product performance

**Comment [NG6]:** Removing this and replacing with a reference. OR if keeping replace this image with original text-based version if possible to ensure visual quality.

Figure 2: Benefits from Appliance and Equipment Standards

Source: (U.S. Department of Energy, 2017)

**EPCA Requirements**

DOE's regulatory reform task force is also tasked with identifying regulations that impose costs that exceed benefits. EPCA has safeguards in place to ensure efficiency regulations do not violate this requirement with the following provisions:

**Comment [NG7]:** IMO this section is critical and I have elevated it to the front for increased visibility.

*(B)(i) In determining whether a standard is economically justified, the Secretary shall, after receiving views and comments furnished with respect to the proposed standard, determine whether the benefits of the standard exceed its burdens by, to the greatest extent practicable, considering—*

- (I) the economic impact of the standard on the manufacturers and on the consumers of the products subject to such standard;*
- (II) the savings in operating costs throughout the estimated average life of the covered product in the type (or class) compared to any increase in the price of, or in the initial charges for, or maintenance expenses of, the covered products which are likely to result from the imposition of the standard;*
- (III) the total projected amount of energy, or as applicable, water, savings likely to result directly from the imposition of the standard.*

Specifically, the statute requires every energy efficiency standards regulation promulgated by DOE has been and is to be “economically justified”, or specifically requiring that the cumulative

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~~benefits of the regulation exceed the cumulative costs. In information we provide further below, DOE has actually overestimated the actual costs of many regulations, thereby resulting in regulations outcomes that are even more economically justified.~~

~~As directed by Executive Order 13777, the regulatory reform task force shall also identify regulations that are “outdated.” Here again, EPCA provides statutory requirements to ensure that efficiency standards and test procedures are reviewed on a periodic basis. Since DOE has expanded the Appliance and Equipment Standards Program to cover a larger share of home, commercial, and industrial energy use, it is increasing important for DOE to maintain its ability to update current energy efficiency standard and test procedure regulations on a periodic basis to ensure standards remain relevant.~~

## RFI Question Responses

Below are our responses to some of the specific questions listed in the RFI.

*Question 1: How can DOE best promote meaningful regulatory cost reduction while achieving its regulatory objectives, and how can it best identify those rules that might be modified, streamlined, or repealed?*

- Regarding streamlining regulations, the Utility-Energy Coalition strongly supports the efforts of the Appliance Standards and Rulemaking Federal Advisory Committee (ASRAC) established by DOE to improve the process of establishing and updating certain energy efficiency regulations by facilitating stakeholder engagement, data collection, and consensus-building among impacted stakeholders. Some members of the Utility-Energy Coalition have been/are members of General ASRAC.

The ASRAC working group process implemented by DOE should continue to be used for other products, where it makes sense, as a way to shorten rulemaking timelines, thereby reducing overall regulatory costs by both stakeholders and DOE. We have noted that the ASRAC working group process streamlines certain efficiency regulations – reducing the overall time a rulemaking would take to finalize as compared to a typical “notice and comment” rulemaking. For example, the commercial package air conditioners and warm air furnaces final rule, which was negotiated through an ASRAC working group, was finalized in 8 months from the establishment of the ASRAC working group to a DOE direct final rule.<sup>2</sup> The process would have taken significantly more time, likely several years, had it gone through a non-negotiated rulemaking. This process implemented by DOE should continue to be used for other products, where it makes sense, as a way to shorten rulemaking timelines, thereby reducing overall regulatory costs by both stakeholders and DOE.

- As another way to streamline rulemakings and reduce costs associated with regulations, DOE should consider the use of multi-tier standards more frequently in rulemaking activities. Multi-tier (or multi-phase) standards can enhance the cost-effectiveness of rulemaking activities without adding significantly more analysis or time, offering efficiency in the standards-setting process by having one analysis that leads to two standard updates at future dates. In addition to the reduced costs associated with the regulatory process, another major advantage of the multi-tier approach is that it provides manufacturers with regulatory certainty over a longer period of time, enabling them to invest and plan for multiple rounds of standards. DOE instituted this multi-tier approach for the commercial package air conditioners and warm air furnaces final rule<sup>3</sup>, updating standard levels with a compliance date of January 1, 2018 for the first tier and January 1,

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<sup>2</sup> DOE published the intent to establish the working group was published in April 2015, the working group finalized a term sheet in June 2015, and DOE published a direct final rule in December 2015.

<sup>3</sup> EERE-2013-BT-STD-0007-0113

2023 for the second tier. This approach was strongly supported by industry, efficiency advocates, consumer groups, and utilities/energy efficiency service providers.

A risk for a multi-tier approach is ~~the irrelevance of that~~ the second compliance date may become inappropriate or irrelevant due to major technological innovation unaccounted for in the original analysis. DOE can mitigate this risk by a brief review closer to the compliance date of the second tier, and subsequently re-open the rulemaking, if the future standard levels are irrelevant.]

Comment [BK8]: This is a new comment so please read to see if you agree.

Question 2: What factors should DOE consider in selecting and prioritizing rules and reporting requirements for reform?

- DOE should prioritize promulgating efficiency regulations with different regional impacts. In 2011, DOE finalized regional regulations for residential central air conditioners and heat pumps and residential gas furnaces. ~~These that~~ were the first regional standards promulgated by DOE that differed. ~~The regional standards were based on levels agreed to by a coalition of stakeholders and reflected the differing efficiency needs for this this equipment in the different due to varying efficiency needs in different~~ regions of the United States. Based on levels agreed to by a coalition of stakeholders, ~~T~~he standards set efficiency levels for three regions based on the number of heating degree days and climate. ~~DOE should prioritize promulgating efficiency regulations with different regional impacts.~~ Also, DOE should prioritize promulgating regional efficiency regulations for products where there is an opportunity for water efficiency given severe drought conditions in different parts of the country.]

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Comment [DM9]: I moved this sentence first so that it is clearer where you are going with the answer.

In promulgating new or updated efficiency regulations, DOE should leverage existing voluntary standards, such as EPA’s ENERGY STAR Program, and relevant information associated with the voluntary standards (e.g., shipment data, technology adoption, etc.) to help form the basis of new or updated mandatory standards. Leveraging existing data and having a starting point, DOE could potentially reduce the costs of undergoing certain efficiency regulations.

Comment [NG10]: [Fran Boucher] There is another angle that could be promoted here. Electric generation consumes tremendous amounts of energy in the country so it would seem we could quantify water savings being achieved already even from those appliances that don’t have water consumption directly.

Comment [BK11]: In reading closely this question from DOE, it is asking how to prioritize rules FOR REFORM. Our responses do not really address DOE’s question on how they should prioritize regulations FOR REFORM... but it was in the outline, so I included here. I tried to be clear that DOE was not asking the right question (per SCE’s comments). Thoughts?

- DOE prescribes a five-year gap between the publication of the final rule and the compliance date for standards for newly-covered products. In prioritizing establishment of new energy efficiency regulations for currently uncovered products, the Utility Energy Coalition believes DOE should reform this five-year gap delay for products where five year this may be too long and for which the market is rapidly changing, such as lighting products and electronic equipment. We recommend that this amount of time be decided on a case-by-case basis by DOE in each rulemaking with stakeholder input.

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One study suggests that consumer product development cycles typically take just under 2.5 years for new-to-the-world products (i.e. highly innovated products). Figure 4 is a graphical representation of the study results. For products and product lines with major revisions, (i.e., those potentially affected by a DOE standard), the average product

development cycle is approximately 15 months. According to this study, on average, industrial firms have been taking 2.25 years to develop their more innovative projects.

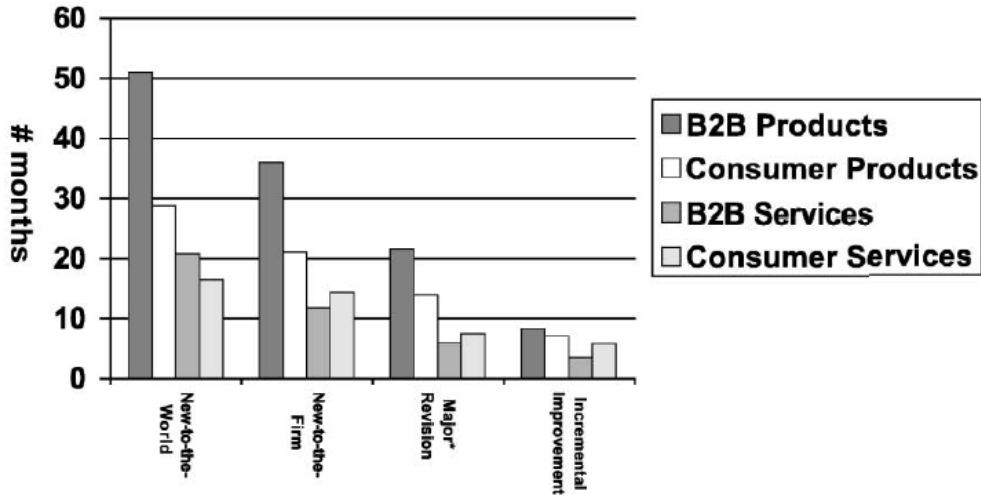


Figure 3: Average Product Development Cycles by Product Type

Source: (Griffin, 2002)

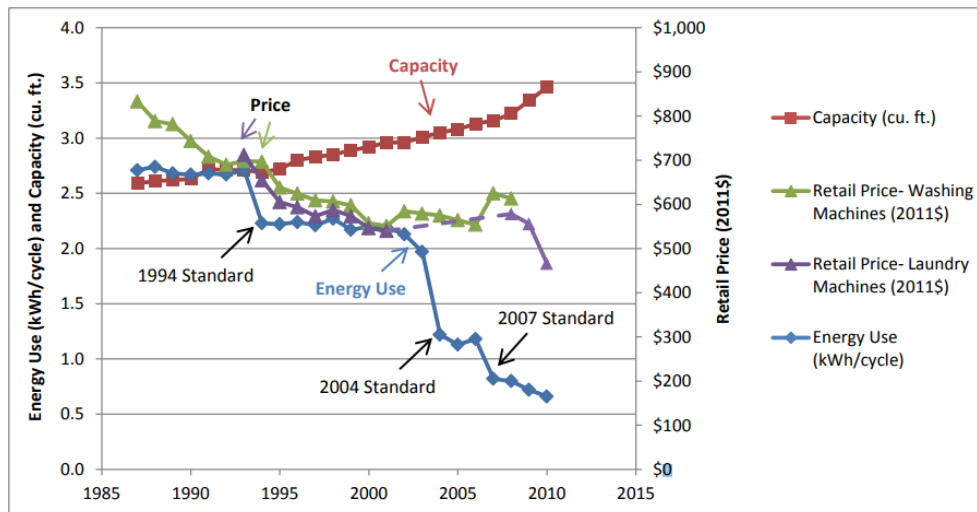
With this compelling evidence that product development cycles are significantly shorter than 5 years, we urge DOE to capitalize on the potentially large savings associated with a shorter time period between final rule and compliance dates. Additionally, this would ensure that standards are applicable to products on the market at the time of compliance. ~~We recommend that this amount of time be decided on a case-by-case basis by DOE in each rulemaking with stakeholder input.~~

*Question 3: How can DOE best obtain and consider accurate, objective information and data about the costs, burdens, and benefits of existing regulations? Are there existing sources of data DOE can use to evaluate the post-promulgation effects of regulations over time? We invite interested parties to provide data that may be in their possession that documents the costs, burdens, and benefits of existing requirements?*

- There are a number of retrospective studies that have reviewed the impacts of DOE efficiency regulations, ~~which and~~ we cite below. Energy efficiency regulations have provided significant economic benefits for consumers through ~~reducing costs and~~ saving energy ~~and freeing up cash for other use~~, which culminates in broader macroeconomic benefits to ~~both the local and national~~ the economy ~~nationally~~.

One study examined the impacts of energy efficiency standards on ten residential, commercial, and lighting products. The study concluded that as efficiency regulations

take effect ~~that~~, performance of the products improves and products become more feature-rich (Mauer, deLaski, Nadel, Fryer, & Young, 2013). Figure 2 from the report ~~is provides~~ a graphical representation of ~~how prices have declined over the years~~ for residential clothes washers ~~are paired with even as~~ capacity increases ~~and as they become more energy efficient when~~ and increased energy efficiency as each new standards update takes effect.



Sources: AHAM (2011) for energy use and capacity; authors' analysis of U.S. Census Bureau Current Industrial Reports for price; DOE (2012c) for markup.

Figure 4: Clothes washer energy use, volume, and retail price from 1987-2010

Source: (Mauer, deLaski, Nadel, Fryer, & Young, 2013)

Reducing ~~the amount that consumers' pay on utilities electricity and natural gas bills~~ allows them to put that ~~excess saved~~ money to work in other areas of the economy for additional macroeconomic benefits. ~~One report examines the job increases~~ directly due to current and prospective energy efficiency standards through 2030. Based on the report's analysis, an average of 318,000 jobs created annually for historic standards with an additional 47,000 jobs created expected annually for prospective standards (Gold, Nadel, Laitner, & deLaski, 2011). Another paper published in the Energy Policy Journal estimates 0.38 job-years are created for every GWh saved due to energy efficiency measures (Wei, Patadia, & Kammen, 2010). One of the goals of DOE's regulatory reform task force is identify regulations that "eliminate jobs, or inhibit job creation." Based on multiple studies, efficiency regulations have a positive impact on jobs.

There is evidence that the DOE has overestimated price increases for appliances post standard implementation. ~~On average~~, price changes were 108% less than the DOE estimated, with the average price increase estimated at \$148 per unit, while the average price change was \$12 less than the pre-standard price (Nadel & deLaski, 2013). An LBNL report seconds this idea citing the policy implications of their study surrounding

**Comment [DM12]:** You don't want to imply the commodity is cheaper, but that their bills go down.

**Comment [DM13]:** Yes but are the job increases due to people saving money on electric bills or due to the stimulated demand for new, high efficiency appliances? I think it's more the latter, but the way the paragraph flows, it sounds like you're suggesting it's the former.

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**Comment [DM14]:** This sounds too good to be true and needs better explanation.

It's one thing to say the increase is not as high as expected, it seems unlikely that 'on average' prices were lower for high EE than they had been for non-EE units (and if that were the case, why do we need efficiency programs?)

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the economic justification, “the positive economic impacts of MEPS [Minimum Efficiency Performance Standards] on consumers may have been underestimated” (Taylor, Spurlock, & Yang, 2015). These results mean that job creation and consumer savings will likely be greater than predicted by the DOE in the future, making them even more critical for the future macroeconomic health of the nation.

*Question 4: Are there regulations that simply make no sense or have become unnecessary, ineffective, or ill-advised and if so what are they? Are there rules that can simply be repealed without impairing DOE’s statutory obligations and, if so, what are they?*

- In regards to regulations that can be repealed, the [Utility-Energy](#) Coalition points to the anti-backsliding provision in EPCA, which prevents DOE from updating existing regulations that result in either increases in the maximum allowable energy use or decreases the minimum required energy efficiency of a covered product.<sup>4</sup> Therefore, statutory requirements prohibit any existing efficiency standards and test procedures from being repealed by DOE.

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*Question 5: Are there rules or reporting requirements that have become outdated and, if so, how can they be modernized to better accomplish their objective?*

- This question is beyond the scope of our comments.

*Question 6: Are there rules that are still necessary, but have not operated as well as expected, such that a ~~modified, modified~~ or slightly different approach at lower cost is justified?*

- Associated with our comments on Question 1 regarding ASRAC, the [Utility-Energy](#) Coalition believes that this approach should be considered for other rulemakings where appropriate. The streamlined process of ASRAC reduces the regulatory costs for both stakeholders and DOE in the long-term. Additionally, ASRAC could be used to help address test procedures and standards that may need to be updated based on technological innovations outside of the scheduled review cycle to ensure the regulations are still relevant. Having a more nimble process to update regulations would be helpful for utility [and energy efficiency service provider](#) incentive programs, which are based on the test procedures and standard regulations developed by DOE.

*Question 7: Are there rules of the Department that unnecessarily obstruct, delay, curtail, or otherwise impose significant costs on the siting, permitting, production, utilization, transmission, or delivery of energy resources?*

- This question is beyond the scope of our comments.

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<sup>4</sup> 42 U.S.C. 6295(o)(1)



*Question 8: Does DOE currently collect information that it does not need or use effectively?*

- The Utility Energy Coalition strongly supports DOE's extensive efforts to collect information and work with stakeholders, such as trade organization and others, in support of establishing and updating efficiency regulations. DOE's efforts to collect and effectively use the information ensure rulemakings are data-driven processes. In terms of compliance and enforcement, the information DOE collects ensures both the proper implementation of the efficiency regulations promulgated by DOE and the realization of the massive associated consumer benefits previously cited in response to ~~under~~ Question 3.

DOE should be more transparent about its own planned data collection activities in support of future standards and test procedures rulemakings. If stakeholders have a better understanding of DOE's future plans for data collection for rulemakings, they ~~would~~ will be better able to effectively contribute to the process ~~and while~~ simultaneously strengthening DOE's analyses and reducing DOE's regulatory costs. Example of product data that could be provided to DOE by stakeholders includes: energy performance data; market shipment data; testing data on product prototypes; data on retail, installation, and maintenance costs; and energy consumption data of installed equipment.

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*Question 9: Are there regulations, reporting requirements, or regulatory processes that are unnecessarily complicated or could be streamlined to achieve statutory obligations in more efficient ways?*

- DOE should consider staging test procedure and standard rulemaking updates for a given product category so that the test procedure regulations are completed and implemented before the standards rulemaking. Staging the rulemakings in this way would be sensible to ensure standards regulations are based on updated metrics and data from a new or modified test procedure.
- DOE should work closely with other agencies such as EPA, the California Energy Commission (CEC), and the European Commission, in an attempt, where possible, to share, where feasible, reported product data. ~~This could in an effort to~~ reduce duplicative reporting burden for manufacturers. Each of the agencies noted manages public-facing product databases displaying product information on product efficiency, among other attributes. Given the overlap of reported data required by these agencies, a standardized test template and single product submission to one entity, such as the CEC's Modernized Appliance Efficiency Database System (MAEDBS), that would be shared with other applicable databases would significantly reduce costs for manufacturers.
- DOE should also consider updating its current compliance certification database to allow stakeholders to more easily search for information on complying products and access test reports. Since utility and energy efficiency service provider incentive programs for adoption of efficient products set requirements based on certified product data, having

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better access to DOE’s database could potentially reduce additional manufacturer reporting burden for products eligible for incentive programs.

*Question 10: Are there rules or reporting requirements that have been overtaken by technological developments? Can new technologies be leveraged to modify, streamline, or do away with existing regulatory or reporting requirements?*

- As mentioned previously in comments to Question [105](#), DOE should work closely with other agencies ~~who~~that manage product databases to reduce duplicative reporting burden for manufacturers by sharing product data when applicable. This would significantly reduce costs for manufacturers, could potentially reduce administration costs for DOE, and be clearer for consumers and other stakeholders, such as utilities and energy efficiency service providers, that use the product databases.

*Question 11: Does the methodology and data used in analyses supporting DOE’s regulations meet the requirements of the Information Quality Act?*

- This question is beyond the scope of our comments.

We thank DOE for the opportunity to be involved in this process and encourage DOE to carefully consider the recommendations outlined in this letter.

Sincerely,

**Comment [BK15]:** To add signatories of approving utilities.

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