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Air-Conditioning, Heating, and Refrigeration Institute

February 6, 2012

Federal Trade Commission
Office of the Secretary
Room H-113 (Annex G)
600 Pennsylvania Avenue, NW
Washington, DC 20580

Re: AHRI Comments – Regional Labeling for Heating and Cooling Equipment (16 CFR Part 305) (Project No. P114202)

Dear Sir/Ma'am:

These comments are submitted by the Air-Conditioning, Heating, and Refrigeration Institute (AHRI) in response to the Federal Trade Commission's (FTC) Advance Notice of Proposed Rulemaking (ANOPR) appearing on December 28, 2011. The ANOPR seeks public comment on how best to develop consumer and industry disclosures regarding the new standards for residential furnaces, central air conditioners, and heat pumps, including possible revisions to the current EnergyGuide label.

AHRI is the trade association representing manufacturers of heating, cooling, water heating, and commercial refrigeration equipment including manufacturers of commercial HVAC pumps. More than 300 members strong, AHRI is an internationally recognized advocate for the industry, and develops standards for and certifies the performance of many of the products manufactured by our members. In North America, the annual output of the HVACR industry is worth more than $20 billion. In the United States alone, our members employ approximately 130,000 people, and support some 800,000 dealers, contractors and technicians.

We appreciate the fact that the FTC and the U.S. Department of Energy (DOE) are working towards a coordinated enforcement program as it will help minimize the regulatory burden on our industry. However, in finalizing this rulemaking, both FTC and DOE should keep in mind that manufacturers are currently required to comply with several DOE requirements and should strive to ensure that no additional regulatory burden is placed on manufacturers.

We believe that the objectives of FTC and DOE can be met through revisions to the existing EnergyGuide labels alone, and that no additional reporting requirements should be imposed on manufacturers. Additional reporting requirements would not provide any benefit to consumers while increasing the regulatory burden on manufacturers. While revising its existing EnergyGuide labels, FTC should consider incorporating a reference in all labels to the AHRI directory of certified product performance, www.ahridirectory.org, so that consumers can ensure that the correct equipment is installed in their region.

The AHRI directory of certified equipment currently plays an important role in helping consumers make informed decisions when purchasing residential furnaces and central air conditioners and heat pumps. We believe that the AHRI directory can even play a bigger role with the implementation of regional standards to ensure that contractors select the right products and that consumers get equipment that can meet the regional standards. We recommend that FTC allow the AHRI directory of certified products to be one of the approved methods for disclosing information associated with the new regional standards for residential furnaces and central air conditioners and heat pumps.

Central Air Conditioners and Heat Pumps:

Attached for your review and consideration are two draft EnergyGuide labels for split-system central air conditioners. The labels can also be applied to single-package air conditioners since the regional standards specify a minimum EER for those products in the U.S. southwest region. The two labels are identical in terms of content but are formatted differently. We believe that the modified labels would enable manufacturers to adequately disclose the information associated with the new energy conservation standards. The draft labels will allow the FTC and DOE to coordinate their enforcement efforts and can be applied on manufacturers' condensing units. Each label includes an efficiency range for SEER and EER and it is clearly indicated that the rating will vary within the ranges shown with different indoor coils. A map that distinguishes the regions within the United States has been included and a table specifying the minimum SEER and EER levels in various regions has been incorporated alongside the map. We feel that the map and the table in each label adequately allow manufacturers to inform distributors, contractors and consumers about the appropriate regions. Each draft label also points consumers and other industry members towards the AHRI directory for information on AHRI certified matched combinations. The manufacturer does not have any control over where and how the equipment is installed once it leaves the manufacturing facility; the draft EnergyGuide labels account for this issue and place the onus upon the party that installs the equipment by specifying that legal installation of the system is dependent on its rating and geographic location. We believe that these proposed EnergyGuide labels will help achieve two important goals: (1) the labels will help FTC to meet its goals of providing consumers and industry members the necessary information about the equipment, and (2) the labels will help DOE with its enforcement of the regional standards.

The efficiency ranges within the existing EnergyGuide labels that pertain to split-system heat pumps, single-package heat pumps, small-duct high velocity systems, space-constrained air conditioners and space-constrained heat pumps should be revised to account for the amended energy conservation standards. FTC should also consider adding a sentence to the EnergyGuide label that points consumers and industry members towards the AHRI directory of certified product performance.

Furnaces:

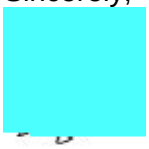
Attached is a memorandum that was issued by the U.S. Environmental Protection Agency (EPA) on June 13, 2011. The memorandum pertains to EPA's residential furnace specification and includes some language on regional labeling of furnaces that qualify as ENERGY STAR products. FTC should consider EPA's approach and allow the

use of the current EnergyGuide furnace label for non-weatherized and mobile home gas furnaces that meet a minimum of 90% AFUE. For non-weatherized and mobile home gas furnaces that meet a minimum of 80% AFUE, the FTC should include a map in the EnergyGuide label that clearly indicates the states in which these products can be installed; the EPA memorandum includes an example of a regional label. All EnergyGuide labels should be revised to account for the amended energy conservation standards. FTC should also consider adding a sentence to the EnergyGuide label that points consumers and industry members towards the AHRI directory of certified product performance.

On October 24, 2011, AHRI submitted a proposal to Mr. Hampton Newsome on the EnergyGuide labeling of oil furnaces with field-selected input ratings. The letter is attached and pertains to non-weatherized oil-fired, mobile home oil-fired, and weatherized oil-fired furnaces. We urge that FTC consider this proposal and also consider including a reference to the AHRI directory of certified product performance within the EnergyGuide label.

AHRI appreciates the opportunity to provide these comments. If you have any questions regarding this submission, please do not hesitate to contact me.

Sincerely,



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Attachments:

1. Sample EnergyGuide Labels for Split-System Central Air Conditioners
2. EPA Memorandum on Revised ENERGY STAR Specification for Residential Furnaces
3. AHRI Letter to FTC on the EnergyGuide Labeling of Oil Furnaces

U.S. Government

Federal law prohibits removal of this label before consumer purchase.

ENERGYGUIDE

Central Air Conditioner
Cooling Only
Split System

Seasonal Energy Efficiency Ratio

13.0 - 14.2

12.0
Least Efficient

24.5
Most Efficient

Efficiency Range of Similar Models

Energy Efficiency Ratio

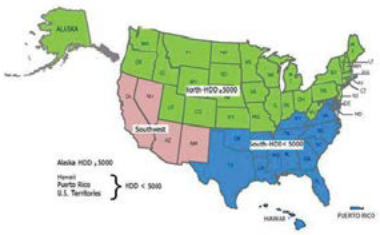
11.7 - 12.5

9.0
Least Efficient

15.0
Most Efficient

Efficiency Range of Similar Models

- Efficiency range based only on split system units.
- This energy efficiency rating is based on U.S. Government standard tests. The rating will vary within the ranges shown with different indoor coils.
- See AHRI directory for certified combinations and ratings at www.ahridirectory.org.
- Legal installation of this system is dependent on its rating and geographic location.
- For more information, visit www.ftc.gov/appliances



Min.	North	South-east	South-west
SEER	13	14	14
EER*	N/A	N/A	12.2
EER**	N/A	N/A	11.7

*Minimum EER for units with a rated cooling capacity less than 45,000 btu/h.

**Minimum EER for units with a rated cooling capacity greater or equal than 45,000 btu/h

U.S. Government

Federal law prohibits removal of this label before consumer purchase.

ENERGYGUIDE

Central Air Conditioner
Cooling Only
Split System

Seasonal Energy Efficiency Ratio	Energy Efficiency Ratio
13.0 - 14.2	**11.7 - 12.5**
12.0 Least Efficient — 24.5 Most Efficient	9.0 Least Efficient — 15.0 Most Efficient
Efficiency Range of Similar Models	Efficiency Range of Similar Models

- Efficiency range based only on split system units.
- This energy efficiency rating is based on U.S. Government standard tests. The rating will vary within the ranges shown with different indoor coils.
- See AHRI directory for certified combinations and ratings at www.ahridirectory.org.
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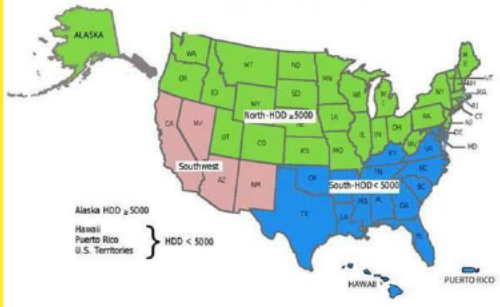

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SEER	13	14	14
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*Minimum EER for units with a rated cooling capacity less than 45,000 btu/h.

**Minimum EER for units with a rated cooling capacity greater or equal than 45,000 btu/h

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

OFFICE OF
AIR AND RADIATION

June 13, 2011

Dear ENERGY STAR® Furnace Manufacturer or Other Interested Party:

The U.S. Environmental Protection Agency (EPA) is pleased to share with you the attached Final Version 3.0 and 4.0 ENERGY STAR Furnace specifications, test method and labels. EPA would like to acknowledge the many ENERGY STAR stakeholders who have invested substantial time and effort over the past several months to contribute detailed feedback to inform the specification development process. This letter lays out the Agency's final decisions regarding these new requirements and outlines the schedule for qualifying products under the new Version 3.0 and 4.0 specifications.

Minor Edits and Clarifications

A series of minor edits have been incorporated into these final specification documents as a result of additional stakeholder feedback on the Final Draft specifications. Changes to the Eligibility Requirements include:

- **Document Management.** Creation of two separate specification documents for Versions 3.0 and 4.0.
- **Definitions.** Revisions to the definitions of Furnace Fan Efficiency and Heating Degree Days to provide better clarity. The AFUE definition is now harmonized with the definition in 10 CFR Appendix N Subpart B.
- **Product Family.** Under the Test Requirement's section, replacement of the term "Basic Model" with "Product Family" throughout the specification where applicable.
- **Excluded Products.** Clarification of Section 2B: Excluded Products, that furnaces intended only for commercial installation and/or with a rating of 225,000 Btu per hour energy or higher are not eligible for ENERGY STAR.
- **Energy Efficiency Requirements.** Clarification of performance levels to clearly indicate significant digits are to tenths of a percent. For example, U.S. North/Canada ≥ 95.0%.
- **Test Requirements.**
    - Removal of the reference to E_{AE} and E_F from Table 2, Test Methods for ENERGY STAR Qualification, as these requirements are not part of the furnace specification.
    - Clarification regarding the sampling plan options for purposes of testing.
    - Addition of new Interim Test Method "Interim Approach for Determining Furnace Fan Energy Use". Changes to the Interim Test Method include:
        - Title change to "Interim Approach for Determining Furnace Fan Energy Use"
        - New Term, $E_{Furnace}$
        - "e" Calculation. In the October 2010 final rule for test procedure on Residential Furnaces and Boilers, DOE included the annual electric standby mode and off mode energy consumption metric (E_{SO}) in the calculation of the Annual Electrical Energy Consumption metric (E_{AE}).

EPA understands that the addition of E_{SO} metric would affect the number of the models that would meet the proposed 2% ENERGY STAR Furnace Fan Efficiency requirement. As the proposed 2% requirement was not intended to include the standby and off mode electric energy consumption, DOE has revised the calculation of e to use $E_{Furnace}$ instead of E_{AE}.

ENERGY STAR Regional Label

Those furnaces that meet requirements for the U.S. South but not the U.S. North may only be labeled with the following U.S. South ENERGY STAR mark which clearly shows the unit only meets requirements for Southern states.

This applies to the units themselves, all product literature and collateral material. Products that meet the requirements for the U.S. North or Canada may be labeled using the general ENERGY STAR certification mark.

Effective Date and Deployment Timeline

EPA shares its Partners' desire for a smooth transition from one ENERGY STAR specification version to the next, with the objective of meeting consumer expectations that ENERGY STAR labeled products fully meet the latest requirements in effect upon their date of manufacture. With this in mind, EPA has established the following timeline:

- Effective immediately, manufacturers may elect to have their Certification Body (CB) certify their eligible products to the Version 3.0 or Version 4.0 requirements for purposes of ENERGY STAR qualification.
- From October 1, 2011, CBs will be asked to stop certifying new product submittals to the existing ENERGY STAR Version 2.0 specification requirements. Note, however, that existing certifications to Version 2.0 will remain valid for the purposes of ENERGY STAR qualification until January 31, 2012.
- As of February 1, 2012 any product manufactured and labeled as ENERGY STAR must meet Version 3.0 requirements. At this time, all certifications of products to the Version 2.0 specification will be invalid for purposes of ENERGY STAR qualification and CBs will only submit product models certified to Version 3.0 to EPA.

Third-Party Certification

As a reminder, as of January 1, 2011 all new products must be certified by an EPA-recognized Certification Body (CB) before being labeled and marketed as ENERGY STAR. Upon satisfactory completion of all certification requirements, a CB will notify the Partner that the product is ENERGY STAR qualified and will submit qualified product data to EPA for listing on the ENERGY STAR website. For more information on the Third-party Certification program please visit www.energystar.gov/3rdpartycert.

Please direct any specific questions to Abigail Daken at EPA, daken.abigail@epa.gov or (202) 343-9375 and Sarah Medepalli, ICF International, at smedepalli@icfi.com or (202) 862-1268. Thank you for your continued support of ENERGY STAR.

Sincerely,

Abigail Daken
U.S. Environmental Protection Agency
ENERGY STAR HVAC Program

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Air-Conditioning, Heating, and Refrigeration Institute

October 24, 2011

Hampton Newsome, Esquire
Division of Enforcement
Bureau of Consumer Protection
Federal Trade Commission
Washington, D.C. 20580

Re: EnergyGuide Labeling of Oil Furnaces with Field-Selected Input

Dear Mr. Newsome:

In December 2008, AHRI submitted a letter to you requesting consideration of changes to the EnergyGuide label for oil-fired warm air furnaces to address models with multiple input ratings. We explained that certain oil furnace models are designed such that the input can be changed by using a manufacturer supplied alternate burner nozzle; this allows the installer to set the input of the furnace in the field depending on the requirements of the installation. In most cases, the AFUE of the furnace model will vary depending on its input rate. In such cases an EnergyGuide label with a single AFUE rating will not necessarily convey accurate information on the AFUE of the furnace at the installed input rate. We noted that our oil furnace manufacturer members want to provide more precise information to the consumer about the AFUE performance of the furnace at the various input rates. Therefore, we requested FTC to allow the option of using an EnergyGuide label showing different AFUEs, with the corresponding range bar, depending on the particular burner nozzle selected by the furnace installer.

On April 13, 2009, we met with you and representatives from the U.S. Department of Energy; the result of that meeting was that AHRI's proposed label was not accepted. Instead, it was suggested that the issue of multiple input ratings could be addressed in other information that supplements the label. Additionally, it was suggested that the EnergyGuide label for split system air conditioners could be used as a template for oil furnaces.

We have discussed that suggestion with our oil furnace manufacturer members and they do not believe that the format used in EnergyGuide labels for split system air conditioners is the best solution for their issue. The EnergyGuide oil furnace label needs to account for varying input rates in addition to the range of AFUE ratings corresponding to each input rate. The split system air conditioner template would not be able to account for this unique feature of oil-fired warm air furnaces.

Hampton Newsome, Esquire
Federal Trade Commission
October 24, 2011

Therefore, we have developed a modified proposed label which attempts to address the concerns expressed by either you or the DOE representatives at the April 13, 2009 meeting. This modified proposed label has the following changes:

- The label displays the different input rates of the furnace and a footnote has been added to explain why more than one AFUE is being shown on the label.

- The label shows the input rate of the oil furnace as shipped from a manufacturer's facility, which is the input rate of the unit if the installer makes no changes to the burner nozzle.

- The label includes check boxes for the other input rates that are available with that model of oil furnace. If one of the alternative nozzles is used, the installer will simply check the box corresponding to the installed input rate.

We believe that this sample label is in the best interest of consumers because it accurately conveys specific information to the consumers about their oil-fired furnaces based on the nozzle installed with the unit. This change will enable furnace manufacturers to provide more precise information to the consumers about their appliances, and at the same time aid consumers in selecting the most efficient oil furnace for their particular circumstances. It should be recognized that consumers are already familiar with multiple range bars and multiple AFUE ratings on EnergyGuide labels for multi-poise gas furnaces and will not be unduly confused by a similar EnergyGuide label for oil furnaces.

We request a meeting with you and appropriate DOE personnel as soon as possible to reinitiate the consideration of this matter. Please let me know if we can provide further information that will assist you to expedite your consideration of this request. I can be reached at 703-600-0321.We will call you in a few days to discuss the scheduling of a meeting.

Respectfully submitted,

Aniruddh Roy
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Phone 703-600-0383
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aroy@ahrinet.org

Hampton Newsome, Esquire
Federal Trade Commission
October 24, 2011

SAMPLE FTC LABEL
Oil Furnaces – Multiple Input Rates