



January 11, 2016

Federal Trade Commission
Office of the Secretary
600 Pennsylvania Avenue, NW.,
Suite CC-5610 (Annex E)
Washington, DC 20580

Re: Goodman Comments – Energy Labeling Amendments (16 CFR Part 305) (Project No. R611004).

SUBMITTED VIA <https://ftcpublic.commentworks.com/ftc/energylabeling/>

Dear FTC Staff:

These comments are submitted by Goodman Global, Inc. (“Goodman”) – a member of the Daikin group, the largest manufacturer of HVAC equipment in the world – in response to the Federal Trade Commission’s (“FTC”) notice of proposed rulemaking (“NOPR”) published in the Federal Register, 80 Fed. Reg. 67,351, on November 2, 2015. The document pertains to FTC’s proposed amendments to the Energy Labeling Rule within 16 CFR Part 305.

Goodman manufactures residential and light commercial heating and cooling equipment. Our products are sold and installed by contractors in every state within the United States. We appreciate the opportunity to comment on the specific issues raised within the NOPR. Our comments are provided below.

Overview

Our comments are limited to the following topics:

- Online database
- Heating and cooling equipment requirements
- Effective Date of the Final Rule

Section 1 – Online Database

We believe the Air-Conditioning, Heating, and Refrigeration Institute (“AHRI”) will be able to satisfy FTC’s proposed requirements to submit links to EnergyGuide labels within the U.S. Department of Energy (“DOE”) certification reports on behalf of manufacturers such as Goodman.

16 CFR 305.6 currently requires a manufacturer to make a copy of the label available on a publicly accessible Web site in a manner that allows catalog sellers to hyperlink to the label or download it for use in Web sites or paper catalogs. The AHRI Directory of Certified Product Performance (“Directory”) currently helps manufacturers meet this requirement by storing EnergyGuide labels that are downloadable in a PDF format. AHRI will likely be able to populate

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the DOE certification reports with URLs. When clicked, each URL within a certification report will automatically lead to a download of an EnergyGuide label.

Section 2 – Heating and Cooling Equipment Requirements

We applaud FTC for proposing the following amendments and recommend they be incorporated into the final rule:

- Rooftop systems – for systems meeting all applicable regional standards, the allowance of a single label reflecting the ratings for furnace and air conditioner (or heat pump) combinations is ideal for both manufacturers and end customers.
- Making it optional to specify the manufacturer name on the EnergyGuide label.
- Allowing manufacturers to specify multiple model numbers on the EnergyGuide label.

We support most of the provisions within Figure 2 of the FTC NOPR. However, we have one major concern with this sample proposed central air conditioner label. The proposed label eliminates SEER and EER ranges for split-system air conditioners and heat pumps. We believe it is essential to continue displaying the range of efficiencies in such labels, so consumers can stay fully informed about the range of efficiencies available to them for a particular outdoor unit. The issue with FTC's proposed amendment is that if a consumer purchases a system that far exceeds the single SEER or EER value specified in Figure 2 of the NOPR (depending on the indoor unit match), the consumer could be misled by the label to believe that he or she paid a premium price for an underperforming system. Additionally, the current practice of disclosing the SEER and EER ranges on the EnergyGuide labels is working well in the field and we have no reason to believe the ranges are causing any level of confusion at the consumer or installer levels. Figure 2 also adds an additional superscripted asterisk after "(SEER)" and introduces a new superscripted asterisk after the "13.7" value. With regard to the asterisk usage, we recommend that FTC continue the current approach in Prototype Label 3 of 16 CFR Part 305.

Section 3 – Effective Date of the Final Rule

We appreciate FTC's willingness to closely work with the industry on past issues pertaining to the Energy Labeling Rule. With regard to the effective date of the final rule, given that further changes will be effected via this rulemaking to EnergyGuide labels that were recently implemented into manufacturing processes by industry, we would appreciate the maximum lead time from FTC as statutorily possible. A longer lead time will allow industry to make the necessary labeling changes while simultaneously conducting product redesigns to meet many new federal energy conservation standards. This maximum lead time is critical for products not manufactured in the 48 contiguous states to allow time for engineering specification changes, manufacturing lead times and transportation.

We respectfully request the following:

- An effective date of six months from the date of publication of the final rule in the Federal Register – 42 U.S.C. 6294(b)(4) provides with FTC the option to prescribe a six-month effective date.
- Issuance of a pre-publication final rule to the industry, so that efforts can be underway to make the necessary labeling changes even before the document gets published in the

Federal Register. Any amount of additional lead time would be greatly helpful to the industry.

Section 4 – Concluding Remarks

Goodman appreciates the opportunity to provide these comments. If you have any questions regarding this submission, please do not hesitate to contact me, Rusty Tharp (at either 713-263-5906 or rusty.tharp@goodmanmfg.com), or Aniruddh Roy (at either 703-657-0398 or aniruddh.roy@goodmanmfg.com).

Sincerely,

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