# COMMENTS OF THE ATTORNEYS GENERAL OF NEW YORK, CALIFORNIA, COLORADO, DISTRICT OF COLUMBIA, ILLINOIS, MAINE, MARYLAND, THE COMMONWEALTH OF MASSACHUSETTS, MINNESOTA, OREGON, VERMONT, WASHINGTON, AND THE CORPORATION COUNSEL OF THE CITY OF NEW YORK

November 9, 2020

Submitted via e-mail:

ResFurnaceCommWaterHeater2018STD0018@ee.doe.gov U.S. Department of Energy

Building Technologies Program

Re: Docket No. EERE-2018-BT-STD-0018
Energy Conservation Standards for Residential Gas Furnaces and
Commercial Water Heaters

The undersigned state and local governments make this submission in response to the U.S. Department of Energy's (DOE's) September 24, 2020 supplemental proposed interpretive rule that would deem a residential gas furnace or commercial water heater's compatibility with existing venting systems a "performance-related feature" of the device within the meaning of the Energy Policy and Conservation Act (EPCA), 42 U.S.C. §§ 6295(o)(4) and 6313(a)(6)B)(iii)(II)(aa).¹ In its initial July 2019 proposed interpretive rule regarding EPCA's "features" provision, which DOE issued in response to a petition by members of the gas industry, DOE proposed that a product characteristic narrower in scope – namely, use of non-condensing combustion technology typically found in less efficient furnaces and water heaters – constituted a protected "performance-related feature." EPCA prohibits DOE from prescribing a new or amended energy efficiency standard that is likely to result in the unavailability of a performance-related feature. 42 U.S.C. §§ 6295(o)(4) and 6313(a)(6)(B)(iii)(II)(aa).

Both of DOE's proposed interpretations of EPCA's "features" provision are inconsistent with EPCA and unsupportable. As explained in our March 1, 2019<sup>3</sup> and September 9, 2019<sup>4</sup> comments in this rulemaking docket (incorporated herein by reference), a furnace or water heater's combustion technology and its compatibility with existing drafting/venting systems are

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<sup>&</sup>lt;sup>1</sup> Notice of Supplemental Proposed Interpretive Rule and Request for Comment, Energy Conservation Standards for Residential Furnaces and Commercial Water Heaters, 85 Fed. Reg. 60090 (Sept. 24, 2020).

<sup>&</sup>lt;sup>2</sup> Notice of Partial Grant of Petition for Rulemaking and Proposed Interpretive Rule, Energy Conservation Standards for Residential Furnaces and Commercial Water Heaters, 84 Fed. Reg. 33,011 (July 11, 2019).

<sup>&</sup>lt;sup>3</sup> Comments of Attorneys General of New York, District of Columbia, Illinois, Maine, Massachusetts, Minnesota, New Jersey, Oregon, Vermont, Washington, and the Corporation Counsel of New York City in Response to Gas Industry Petition (March 1, 2019), available at https://www.regulations.gov/document?D=EERE-2018-BT-STD-0018-0049.

<sup>&</sup>lt;sup>4</sup> Comments of Attorneys General of New York, California, Colorado, District of Columbia, Illinois, Maine, Maryland, the Commonwealth of Massachusetts, Minnesota, New Jersey, Oregon, Vermont, Washington, and the Corporation Counsel of New York City in Response to DOE's Proposed Interpretive Rule (Sept. 9, 2019), available at https://www.regulations.gov/document?D=EERE-2018-BT-STD-0018-0082.

not performance-related features that would justify the creation of separate product classes subject to less stringent energy efficiency requirements. 42 U.S.C. § 6295(q)(1). The performance-related utility of furnaces and water heaters is their ability to provide heat and hot water, not the combustion or venting features that they use to do so. Indeed, DOE itself historically has rejected the notion that specific technology or design features can be used to preserve less-efficient technologies and thereby limit potential energy savings achievable through advancements in energy efficiency.<sup>5</sup>

For the reasons set forth here and in our prior comments, DOE's initial and supplemental proposed interpretive rules are arbitrary, capricious, and an abuse of discretion. DOE's consideration of these proposals also unlawfully delays the adoption of efficiency standards required by EPCA. We therefore urge DOE to withdraw these proposed interpretive rules and proceed instead with the issuance of final energy conservation standards for gas furnace and water heaters as mandated by law.

Respectfully submitted,

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<sup>&</sup>lt;sup>5</sup> See Notice of Proposed Rulemaking and Announcement of Public Meeting, Energy Conservation Standards for Residential Furnaces, 80 Fed. Reg. 13119, 13138 (Mar. 12, 2015).

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