



# AMERICAN PUBLIC GAS ASSOCIATION

October 22, 2015

The Honorable Ernest Moniz  
Secretary  
U.S. Department of Energy  
1000 Independence Avenue, S.W.  
Washington, DC 20585

Re: DOE Docket No. EERE-2014-BT-STD-0031

Dear Secretary Moniz:

On behalf of the American Public Gas Association (APGA),<sup>1</sup> I want to communicate our strong concerns regarding recent developments related to the Department of Energy's Notice of Proposed Rulemaking (NOPR) on Energy Conservation Standards for Residential Furnaces in the above-referenced docket. Specifically, our concerns relate to the manner in which a data request and request for an extension of the deadline for comments on the recently issued Notice of Data Availability (NODA) related to furnace size were handled.

DOE issued a NOPR in this proceeding in March 2015, in response to which many objections were filed indicating, among other things, a serious flaw in the methodology used to justify a condensing-only standard for non-weatherized gas furnaces. DOE then issued a NODA that appeared in the September 14<sup>th</sup> Federal Register seeking comment by October 14 on the NODA analysis of the potential economic impacts and energy savings that would be obtained through the creation of a separate product class for small furnaces that would be exempt from the 92% nationwide standard DOE proposed in the March NOPR.

On September 15th, the day after the NODA issued, APGA and the American Gas Association (AGA) (collectively, the Associations) sent a letter to DOE requesting answers to specific technical questions (copy attached) so that the Associations would have a better understanding of the updated or revised input parameters, values, and methodologies contained in the Life Cycle Cost spreadsheet included with the NODA and hence could

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<sup>1</sup> APGA is the national association for publicly-owned natural gas distribution systems. There are approximately 1,000 public gas systems in 37 states and over 700 of these systems are APGA members. Publicly-owned gas systems are not-for-profit, retail distribution entities 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.

respond to the NODA with meaningful comments. The letter also requested additional time following DOE's data response to file comments.

The Associations received no response from DOE regarding their September 15 requests, and as a result, filed their respective (albeit truncated) comments in a timely manner on October 14<sup>th</sup>. On October 15<sup>th</sup>, DOE released a notice reopening and extending the NODA comment period 14 days. In addition, later on the same day (October 15<sup>th</sup>) DOE released the answers to the Associations' September 15<sup>th</sup> data request.

Hence, since DOE neglected to communicate to the Associations its intent regarding the data request and extension request, significant resources were expended by the Associations to complete their technical analysis based on insufficient data and to draft and file timely comments on October 14. Now the Associations are supposed to gear up (i.e., spend additional precious and limited resources) to review the DOE data response and file additional comments, which redundancy could have been avoided by a timely telephone call or email from DOE to the affected parties (and proper public notice). DOE's failure to provide the public timely notice of its intent is inexcusable and underscores why so many citizens in this country are growing increasingly skeptical of governmental competence and integrity.

In addition, and equally troubling to APGA, it appears that certain of the groups supporting DOE's furnace NOPR (e.g., the American Council for an Energy-Efficient Economy, the Appliance Standards Awareness Project and the Alliance to Save Energy) did not submit comments on October 14 because they were aware that DOE would be reopening the comment period. It was APGA that requested an extension, not any of the aforementioned groups; yet, we were not made aware of DOE's action to reopen the comment period. The advocates of the furnace rule, who appear to be the only ones aware that an extension would be granted, held off filing comments; they now have an additional 14 days to review the timely-filed comments of the Associations, as well as to take advantage of the additional data requested by the Associations.

These actions by DOE, which appear intended to further tilt the playing field to the advantage of its allies, are not tolerable in a society dedicated to due process, and hence we are writing this letter to indicate our very strong objection to these tactics and to request action by you to restore fairness to a proceeding that has been anything but that.

Sincerely,



Bert Kalisch  
President & CEO



September 15, 2015

**By email and U.S. mail**

Mr. John Cymbalsky  
U.S. Department of Energy  
Office of Energy Efficiency and Renewable Energy  
Building Technologies Office, EE-5B  
1000 Independence Avenue, S.W.  
Washington, D.C. 20585-0121

Re: Energy Conservation Program for Consumer Products: Energy  
Conservation Standards for Residential Furnaces, Docket No. EERE-014-  
BT-STD-0031.

Dear Mr. Cymbalsky:

On September 14, 2015, the Department of Energy (DOE) published a Notice of Data Availability (NODA), 80 Fed. Reg. 55038, and released two spreadsheets, one on consumer impacts (life-cycle costs/payback periods) and one on national impacts (national energy savings and net present value of national benefits). The NODA states that DOE "has completed a provisional analysis of the potential economic impacts and energy savings that could result from promulgating amended energy conservation standards for residential non-weatherized gas furnaces (NWGFs) that include two product classes defined by input capacity." (80 Fed. Reg. at 55038.) DOE solicits "comments, data and information" that may improve its analysis (*id.* at 55045), and provides parties 30 days from the NODA publication date (*i.e.*, until October 14) to provide these comments.

The American Gas Association (AGA) and the American Public Gas Association (APGA), collectively, the Associations, have been active participants in the subject proceeding and are interested in filing meaningful comments in response to the NODA. However, that is impossible without being provided additional data by DOE underlying and explaining the NODA and the accompanying spreadsheets, and then having a technical conference to discuss the data. The Associations are therefore submitting the accompanying data request, along with a request for a technical conference some 20 days after the data is provided, and a comment date that is at least 60 days after the technical conference.

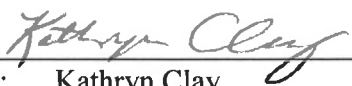
The Associations are working under the assumption that DOE's request for comments and information is a good faith attempt to explore the indicated subject matter, and it is in that spirit that we ask for the necessary data identified in the attachment and the additional time to analyze the data and provide substantive comments.

Mr. John Cymbalsky  
U.S. Department of Energy  
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Please contact us with any questions. Thank you in advance for your consideration of these requests.

Respectfully submitted,

AMERICAN GAS ASSOCIATION

  
By: Kathryn Clay  
Vice President, Policy Strategy

AMERICAN PUBLIC GAS ASSOCIATION

  
By: David Schryver  
Executive Vice President

cc: Ms. Johanna Hariharan  
Ms. Brenda Edwards

**Data Request of AGA/APGA  
Regarding DOE NODA**

Addition information is needed from DOE to permit an understanding and evaluation of the updated or revised input parameters, values, and methodologies contained in the NODA LCC spreadsheet.

**NODA LCC Spreadsheet Data Request**

- 1) An updated version of input spreadsheet “rf\_nopr\_analysis\_inputs\_2014-02-06.xlsm” that was released with the NOPR LCC spreadsheet. The input spreadsheet contains key information on the LCC calculations and methodology for:
  - contractor markups
  - implementation of the new AHRI shipment data
  - implementation of the new AEO forecast
  - implementation of the new EIA pricing data
  - implementation of updated NWGF input capacity percentiles
- 2) Supporting data and detailed descriptions of changes in building shell efficiency calculations in the NODA LCC spreadsheet as mentioned on page 16 of “Res Furnace\_NODA\_2015-09-04.pdf.” This is currently referenced in general terms as “described in the LCC spreadsheet.”
- 3) Supporting data and detailed descriptions of changes in climate indices used to adjust energy use as mentioned on page 16 of “Res Furnace\_NODA\_2015-09-04.pdf.” This is currently referenced in general terms as “described in the LCC spreadsheet.”
- 4) Supporting data and detailed descriptions of the “updated engineering analysis” that is referenced in the “NODA Analysis Update” sheet under the “Prod Price” changes.
- 5) Clarification as to whether or not changes have been made to the “NWGF Switching” sheet that was omitted from the descriptions of changes in the “NODA Analysis Updates” Sheet of the NODA LCC spreadsheet.

**Technical Support Documentation**

Information requested in this section focuses on descriptions typically included in a DOE technical support document that are needed for a reasonable understanding of changes included in the NODA LCC spreadsheet.

- 1) Describe the “bug” in the “AFUE Existing” assignment and what was done to correct the bug, with references to specific locations in the NODA LCC spreadsheet.
- 2) Describe the methodology and rationale for choosing 1.3 vs. 1.7 oversizing factors in the “Furnace & AC Sizing” Sheet of the NODA LCC spreadsheet.

- 3) Describe the methodology used to arrive at the Net Cost percentages included in Tables III.2 and III.3 of "Res Furnace\_NODA\_2015-09-04.pdf."
- 4) Describe methodology/logic of implementing dual standard scenario, and downsizing options.
- 5) The NODA LCC spreadsheet provides a dropdown box (see cell D23 in the Summary tab of the LCC spreadsheet) that provides options for various Standard Scenarios. The options in the dropdown box include Dual Standard selections for input capacities for small furnaces with thresholds of less than or equal to 70, 75, 80, 85 and 90 kBtus/hr. However, the tables included in the NODA do not include the LCC or the NIA spreadsheet results for these scenarios. Please provide the LCC and NIA spreadsheet results for each of these scenarios in a similar fashion that the other scenario results were presented in the NODA.