

Draft Letter to EPA Administrator Michael Regan

November __ 2021

Hon. Michael S. Regan
Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

Re: EPA's Suspension of Natural Gas Products from ENERGY STAR 2022 Most Efficient Program

Dear Administrator Regan:

On behalf of the American Gas Association and our members, I am writing to express our regret and concern with the Environmental Protection Agency's (EPA) recognition criteria for the [2022 ENERGY STAR Most Efficient](#) Program (the Program) which suspends gas products from the Program. This decision could have far-reaching effects on our industry's efforts to advance next-generation natural gas technologies that can help reduce customer's energy bills while reducing energy consumption and greenhouse gas emissions.

The American Gas Association, founded in 1918, represents more than 200 local energy companies that deliver clean natural gas throughout the United States. There are more than 76 million residential, commercial, and industrial natural gas customers in the U.S., of which 95 percent — more than 72 million customers — receive their gas from AGA members. Today, natural gas meets more than 30 percent of the United States' energy needs.

The natural gas industry has a longstanding commitment to energy efficiency and reducing GHG emissions. Natural gas utilities administer 132 ratepayer-funded natural gas efficiency programs, across 42 states and seven provinces in Canada. Utility efficiency program investments have remained consistent with nearly \$1.3-1.4 billion dollars per year from 2015-2019. In fact, AGA member companies invest approximately \$4 million per day in energy efficiency programs to help their customers install tighter-fitting windows and doors, upgrade insulation and

purchase increasingly more efficient natural gas appliances. With these significant investments, natural gas utilities helped their customers save 259 trillion Btus of energy and offset over 13.5 million metric tons of carbon dioxide emissions from 2012 to 2018, equivalent to removing 2.9 million cars off the road for a year.¹ These investments have also resulted in a 1.2% per year reduction in the carbon emissions associated with the consumption of natural gas in an average residential home. Gas utility efficiency programs heavily rely on the ENERGY STAR and ENERGY STAR Most Efficient Programs to establish eligibility for their equipment rebate offerings.

EPA promotes ENERGY STAR as the government-backed symbol for energy efficiency, providing simple, **credible, and unbiased information** that consumers and businesses rely on to make well-informed decisions.² AGA has strongly supported the ENERGY STAR Program and its stated objective, however the decision to eliminate gas products from the Most Efficient Program undermines that very objective. A prohibition on gas products in the Most Efficient program will have a detrimental effect on customers looking to invest in the highest efficiency gas equipment and will negatively impact efforts to advance next-generation gas appliances that can save energy, reduce emissions, and help achieve the Biden Administration's climate goals.

In addition, the process used by EPA to arrive at the 2022 Most Efficient recognition criteria was opaque and failed to engage adequately and appropriately all interested stakeholder groups. At its July 29, 2021 webinar, EPA indicated that gas products would be included in the proposed eligibility criteria for the Most Efficient program. With no further indication or public notice, EPA then removed gas products from eligibility and issued its final 2022 recognition criteria. This action appears to be based on the request EPA received from a select and unrepresentative group of stakeholders. Thus, EPA failed to announce its intended change and solicit feedback from a wider array of stakeholder groups before finalizing this significant change. Moreover, a narrow and limited inclusion of stakeholder perspectives risks eroding public confidence in the credibility of the ENERGY STAR Program, which has historically been lauded for its technology

¹ <https://www.aga.org/globalassets/aga-ngefficiency-report-py2018-5-2021.pdf>

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<https://www.energystar.gov/sites/default/files/asset/document//2021%20ENERGY%20STAR%20Impacts%204.12.21%20v1.pdf>

and fuel-neutral approach to energy efficiency. Specifically, this action appears to contradict the clear process established in EPA's Standard Operating Procedure for "Revising or Establishing an ENERGY STAR Product Specification that states "ENERGY STAR specification discussion guides, drafts, limited-topic proposals, and dot revisions are made available to the public for comment. Documents are posted on the ENERGY STAR website and notice is provided via an email distribution list open to interested partners, stakeholders and the general public. Stakeholder meetings are hosted to allow for in depth discussion of proposals". Because EPA's decision clearly diverged from the Agency's established Standard Operating Procedures and because of the adverse impact to customer choice, AGA respectfully requests that EPA immediately reinstate gas products as part of the Most Efficient program.

These comments are intended to enhance the dialogue between EPA and AGA on how we can collaboratively achieve our shared goal of reducing greenhouse gas emissions and increasing the resiliency of the energy system through energy efficiency, next-generation gas technologies and low and no carbon gas resources. We would welcome the opportunity to meet with EPA on this matter. We also appreciate the opportunity to work directly with the ENERGY STAR team in contributing to amendments or future program specifications.

Thank you for taking the time to review our comments and concerns with the EPA ENERGY STAR Most Efficient Program, and we are more than happy to discuss further.

If you have any questions, please do not hesitate to contact us at RMurphy@aga.org or Sgheewala@aga.org.

Respectfully Submitted,

American Gas Association

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