



April 17, 2012

Ms. Abigail Daken  
ENERGY STAR® Water Heater Program Manager  
U.S. Environmental Protection Agency (EPA)  
1200 Pennsylvania Avenue NW  
MC 6202J  
Washington, DC 20460

Subject: Residential Water Heater ENERGY STAR® Version 2.0 Draft 3 Commentary

Dear Ms. Daken,

These comments submitted by Rheem Manufacturing Company (Rheem) are in response to the March 19, 2012 industry stakeholder invitation to comment issued by the EPA regarding it's Draft 3, Version 2.0 ENERGY STAR® Residential Water Heater specification proposal.

Rheem Manufacturing Company is headquartered in Atlanta, Georgia and operates multiple facilities in the United States for the manufacture or support of residential and commercial air conditioners, furnaces, water heaters, boilers, and heat pump pool heaters, consequently we're very interested in the Department's proposal. Rheem supports the U.S. EPA efforts in the development of a second generation (Version 2.0) ENERGY STAR® Water Heater Product Specification for Residential Water Heaters.

#### **1. RESIDENTIAL PRODUCT CLASSIFICATIONS, TEST METHODS & PROCEDURES, SAFETY**

As the scope of this ENERGY STAR® program is Residential, Rheem wants to re-emphasize our continued support of the U.S. Department of Energy (DOE) definition for the Residential Water Heater Product Classes as referenced from the Title 10, Code of Federal Regulation, Chapter 11, Part 430, Subpart B, Appendix E. The use of such product definitions make clear the scope of coverage, the applicable test methods and associated safety standards which have been in place and approved by the industry. Further, recognizing the highest energy efficiency water heaters clearly defined within the residential product classification will help to minimize product selection confusion at the Consumer level.

Rheem strongly believes that before the EPA considers the addition of any new product category into the ENERGY STAR Residential Water Heater Program that the new product category is appropriately listed in the DOE Residential Product Classifications. Further, with respect to the V2.0, Draft 3 Product Specification for Residential Water Heaters namely lines 218 & 219, “The Agency recognizes that NAECA covered hybrid water heaters would not be eligible for the ENERGY STAR label until a test procedure is finalized”, Rheem strongly supports this position given that the test procedure is still outstanding. The EPA with this Draft 3 proposal has appropriately dropped the POU and Add-On Heat Pump product categories because of this in part, and should do the same with the Gas Hybrid category until a test procedure is approved.

Rheem acknowledges comments on lines 225-227 concerning FVIR requirements, however the EPA should defer development and application of new safety requirements to the appropriate standards committees.

## **2. WHOLE HOME GAS STORAGE**

The DOE through the NAECA III Final Rule effective April, 2015, has established minimum efficiency requirements for larger capacity ( $\geq 55$  U.S. gallons) gas water heaters starting at 0.75EF. Conversely, the EPA in its current draft form sets the ENERGY STAR<sup>®</sup> gas storage water heater high efficiency threshold at 0.67EF. This sends a confusing message to Manufacturers, the Industry and Consumers alike where a new minimum efficiency standard will exceed an ENERGY STAR<sup>®</sup> threshold.

With respect to ENERGY STAR<sup>®</sup> Version 2.0 proposal, Drafts 1, 2 & 3 to combine both high efficiency gas storage (non-condensing and condensing) categories into one, Rheem holds to the position of maintaining current ENERGY STAR<sup>®</sup> criteria for each as currently defined in ENERGY STAR<sup>®</sup> Residential Water Heater Specification Version 1.0 (including a 0.80EF minimum and compliance with ANSI Z21.10.1/CSA 4.1 for the gas condensing category) and to keep the two categories separate and distinct.

Reducing or removing these minimum qualification requirements for the gas condensing category (0.80EF) is premature and will remove the differentiated incentives which have been in place at energy utilities across the country (refer to the Consortium of Energy Efficiency residential program).

As a consequence this will delay the transformation of the market to this high efficiency solution and not reward those whom diligently seek to achieve the highest levels of energy efficiency in a product technology. Rheem along with others in the industry agree that this level of performance while challenging, is achievable.

### 3. **GAS HYBRID WATER HEATER CATEGORY ADD**

In recommending a return to an ENERGY STAR® criterion for condensing and non-condensing, we believe defining a criterion of “hybrid type” residential water heaters is confusing to the framework established. In consideration of product classifications already defined by the DOE, we believe the EPA would attain broader reach and clarity in the establishment of an ENERGY STAR® program specifically for commercial water heaters. Using terms to define a system as “hybrid” or “marketed for” brings about a considerable gray area between what is readily known as residential and commercial equipment. Rheem stands committed to helping the EPA establish such a program.

### 4. **WHOLE-HOME ELECTRIC (HPWH ALERT)**

While Rheem believes adding an alert to notify the Consumer of a blocked condensate drain may be valuable it shouldn't be a made a “requirement”. Other appliances with condensate drains (e.g., instantaneous water heaters and gas furnaces) are not “required” to have the capability to detect and provide an alert should the condensate drain be blocked. Also, if this feature is desired by the Consumer there are many field installable options currently available in the market that can accomplish this.

Thanks again for the opportunity to provide commentary and respectfully request that the Department consider our input outlined above. Should you have any questions please feel free to contact me directly.

Kind regards,



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