June 10, 2016

Ms. Brenda Edwards
U.S. Department of Energy
Building Technologies Program, MS EE-5B
1000 Independence Avenue, S.W.
Washington, D.C. 20585-0121

Re: NOPD for Direct Heating Equipment

Dear Ms. Edwards,

The Air-Conditioning, Heating, and Refrigeration Institute (AHRI) is the trade association representing manufacturers of air conditioning, space heating, water heating and commercial refrigeration equipment. The AHRI member companies that manufacture gas-fired, vented direct heating equipment account for essentially all of the vented room heaters, wall furnaces (gravity and fan type) and floor furnaces that are sold and installed in the U.S. We submit the following comments in response to the Notice of Proposed Determination (NOPD) on amending the efficiency standards for direct heating equipment (DHE) issued in the April 11, 2016 Federal Register.

We agree with DOE’s conclusion that more stringent standards for DHE are not economically justified and with the resulting proposal to not amend those standards. Our comments on the 5 issues on which DOE is seeking comments are provided below. These comments provide additional detail on this general comment of support for the NOPD.

1. DOE seeks comment on its assumptions that only minor changes to the DHE market have occurred since the last DOE rulemaking and that overall shipments of DHE have continued to decrease. See section II.

We agree with DOE’s assumptions as it relates to the models currently available. Also, the comment on Issue #3 will validate DOE’s assumption that overall shipments have continued to decrease. There was a major change to the DHE market as a result of the last DOE rulemaking in that many models were eliminated from the market. To supplement the information provided in Table II-1, we counted the basic models of vented room heaters and wall furnaces listed in AHRI’s efficiency certification program for DHE. Our information is that there are only 50 basic models of those DHE products in our directory.

2. DOE seeks comment on its determination that adopting a condensing efficiency level for fan-type wall furnaces would not be economically justified. See section II.

We agree with this conclusion. In particular, we appreciate that DOE has recognized the severe impact a condensing efficiency level for fan-type wall furnaces would have on manufacturers.
3. DOE seeks data and information pertaining to DHE shipments. See section II.

Information on annual shipments for vented room heaters, vented wall furnaces and direct vent wall furnaces from 2007 through 2015 is being provided to DOE’s contractor as confidential information. An analysis of that information will clearly show the decline in the market that has occurred since the previous rulemaking for these products. As an example, the following shows the percentage change in the average annual shipments of each product type in the period of 2010 through 2015 compared to the average annual shipments in the period of 2001 through 2006. (This period was chosen since it is the most recent 6 year period prior to 2010 for which we have complete data.

<table>
<thead>
<tr>
<th>Product Type</th>
<th>% Change Average Annual Shipments 2010-2015 Compared to 2001-2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vented Wall Furnace</td>
<td>-21%</td>
</tr>
<tr>
<td>Direct Vent Wall Furnace</td>
<td>-31%</td>
</tr>
<tr>
<td>Vented Room Heater</td>
<td>-44%</td>
</tr>
</tbody>
</table>

AHRI does not have an active statistics program for floor furnaces. We are attempting to collect annual shipments information for recent years through a special data collection.

4. DOE seeks comment on its proposal not to amend energy conservation standards for DHE because more stringent standards would not be economically justified. See section III.

We agree with the proposal. The market for these products continues to decline. Fully 2/3 of the 50 basic models we noted above, have efficiency ratings at or slightly better than the applicable minimum AFUE standard. An amended standard would impose a significant burden on manufacturers with little resulting energy savings.

5. DOE seeks comment on its proposal not to amend its standards for DHE to include standby and off mode electrical consumption. See section III.

We agree with this proposal. As stated in the NOPD, since amended standards for DHE are not being proposed, DOE is not required to propose amended standards for standby and off mode energy use. A proposed standby and off mode standard would only address electric energy use which is a small amount for DHE. Furthermore, the impact on manufacturers to comply with such a standard would be significant.

We appreciate this opportunity to provide comments and participate in this rulemaking.

Respectfully submitted,

Frank A. Stanonik
Chief Technical Advisor