

**COMMENTS OF THE ATTORNEYS GENERAL OF NEW YORK, ILLINOIS, MAINE,
MARYLAND, MINNESOTA, NEVADA, NEW JERSEY, NEW MEXICO, OREGON,
VERMONT, WASHINGTON, THE COMMONWEALTH OF MASSACHUSETTS,
THE DISTRICT OF COLUMBIA, AND THE CITY OF NEW YORK**

October 6, 2022

Submitted via e-mail:

ResFurnaces2014STD0031@ee.doe.gov

Appliance and Equipment Standards Program
Building Technologies Office
U.S. Department of Energy

**Re: Energy Conservation Standards for Consumer Furnaces – Notice of
Proposed Rulemaking and Request for Comment
Docket No. EERE-2014-BT-STD-0031
RIN 1904-AE20**

The undersigned offices of state attorneys general and local governments submit these comments in support of the Department of Energy's (DOE) proposed energy efficiency standards for non-weatherized gas furnaces and mobile home gas furnaces. 87 Fed. Reg. 40,590 (July 7, 2022). As governmental entities committed to reducing energy-related costs, including negative impacts of greenhouse gas emissions and other pollutants, we embrace stringent, cost-effective energy efficiency standards for consumer appliances. DOE's proposed amended 95% annual fuel utilization efficiency (AFUE) standard and new 8.5 watt standby- and off-mode standards will significantly reduce emissions that contribute to climate change and save consumers billions of dollars on their energy bills. We therefore urge DOE to promptly finalize its proposed national furnace standards.

DOE's proposed 95% AFUE standard would require that new consumer gas furnaces produce 95 British thermal units (BTUs) of heat for every 100 BTUs of natural gas combusted – a significant increase over what is currently required (80% AFUE). DOE's proposal would also limit the maximum amount of electricity such furnaces use while in standby- and off-modes to 8.5 watts. Consistent with its obligation under the Energy Policy and Conservation Act (EPCA), DOE has shown that these proposed standards would save a significant amount of energy and that they represent the maximum improvement in energy efficiency that is technologically feasible and economically justified. 42 U.S.C. 6295(o)(2)(A).

According to DOE's analysis, the proposed standards would yield annually up to \$2.1 billion in consumer operating cost savings, \$1 billion in climate benefits due to greenhouse gas emission reductions and \$1.3 billion in health benefits due to reduced air pollutants. Based on these projections, and accounting for incremental product or installation costs, the proposed

standards would result in net benefits approaching \$4 billion annually, with total benefits exceeding \$60 billion over a 30-year period (2029-2058). *See* 87 Fed. Reg. 40,598 (Table I.10 – Monetized Benefits and Costs of Proposed AFUE (TSL 8) and Standby Mode and Off Mode (TSL 3) Standards for Non-Weatherized Gas Furnaces and Mobile Home Gas Furnaces). DOE estimates that replacing an inefficient furnace with one that meets the proposed standard would, on average, provide households approximately \$500 in savings over the life of the appliance. *See* 87 Fed. Reg. 40,668 – 40,699 (Tables V.6 – V.12).

Significantly, furnaces capable of meeting the proposed standards are already commercially available in markets today. *See* 87 Fed. Reg. 40,599. Modern condensing furnaces, which can easily meet the proposed standards, have been required for residential heating in Canada for over a decade. *Id.* at 40,691. While consumers who wish to buy a high-efficiency gas furnace and save money can do so today, national standards such as those proposed in this rulemaking will ensure that all consumer furnaces sold after 2029 will be highly efficient and cost-saving.

Because of new federal funding available under the Infrastructure Investment and Jobs Act, Pub. L. No. 117-58 (2021) and the Inflation Reduction Act, Pub. L. No. 117-169 (2022), the nation’s transition to more efficient space heating will be cost-effective **and** affordable. For low- to moderate- income households and small businesses, Congress’ multibillion-dollar investment in weatherization, energy efficiency and beneficial electrification programs will help address cost concerns related to installing new or replacement equipment. For example, in addition to offering generous rebates and tax credits for electric heat pumps, the Inflation Reduction Act extends and expands the energy efficient home improvement tax credit for high-efficiency gas furnaces. *See* P.L. 117-169, § 13301 (Extension, Increase, and Modifications of Nonbusiness Energy Property Credit); § 50122 (High Efficiency Electric Home Rebate Program). As DOE notes, government-sponsored point-of-sale rebate programs can moderate financial impacts to consumers by helping to offset the total installed cost of a condensing furnace or the cost of switching to an electric heating system. 87 Fed. Reg. 40,654. And for owners of manufactured homes concerned about potential space and cost constraints, updating an existing heating system with an efficient furnace or electric heat pump remain highly feasible options, both technically and economically. *See* 87 Fed. Reg. 40,614; NYSEDA, “Ducted Heat Pump for a Manufactured or Mobile Home,” Heat Pump Planner (July 2021) available at <https://www.nyserda.ny.gov/-/media/Project/Nyserda/Files/Programs/clean-heating-and-cooling/Ducted-Air-Source-Manufactured.pdf>.

Thank you for the opportunity to comment on DOE’s proposal. These comments reflect our continued interest in DOE rulemaking and our support for robust efficiency standards for furnaces and other consumer appliances. *See, i.e.,* 87 Fed. Reg. 40,699; *State of New York, et al. v. Department of Energy, et al.*, Nos. 08-0311-ag(L); 08-0312-ag(Con) (2nd Cir.); Multistate Comments Regarding Furnace Interpretive Rule (Oct. 12, 2021) available at <https://www.regulations.gov/comment/EERE-2018-BT-STD-0018-0136>. We urge DOE to adopt the proposed furnace standards as soon as possible.

Respectfully submitted,

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