

*Submitted via regulations.gov and
ResFurnaces2014STD0031@ee.doe.gov*

August 11, 2022

Ms. Julia Hegarty
U.S. Department of Energy
Office of Energy Efficiency and Renewable Energy
Building Technologies Office, EE-5B
1000 Independence Avenue SW
Washington, DC 20585-0121

**Re: Request for Workshop and Related Extension of the Comment Period
*Energy Conservation Program: Energy Conservation Standards for Consumer
Furnaces*, EERE-2014-BT-STD-0031, RIN 1904-AD20, 87 Fed. Reg. 40590
(July 7, 2022)**

Dear Ms. Hegarty:

The American Gas Association (“AGA”), American Public Gas Association (“APGA”), National Propane Gas Association (“NPGA”), Spire Inc., Spire Missouri Inc., Spire Alabama Inc., and Atmos Energy Corporation (“Atmos Energy”) (collectively, “Joint Requesters”) respectfully reiterate their request at the August 3, 2022, public meeting webinar that the Office of Energy Efficiency and Renewable Energy (“EERE”), Department of Energy (“DOE”) hold a workshop on its Life Cycle Cost (“LCC”) model. As discussed at the webinar and herein, there are numerous, fundamental defects in the model. A workshop—and additional time thereafter to submit comments in light of the results of the workshop—are needed to resolve these issues. At the webinar, DOE pledged that it would take this under consideration and wants to make sure that everyone feels comfortable in relation to an LCC analysis. The Joint Requesters believe that a workshop is needed to achieve this critical objective.

AGA, founded in 1918, represents more than 200 local energy companies that deliver clean natural gas throughout the United States. There are more than 77 million residential, commercial, and industrial natural gas customers in the U.S., of which 95 percent—more than 73 million customers—receive their gas from AGA members. AGA is an advocate for natural gas utility companies and their customers and provides a broad range of programs and services for member natural gas pipelines, marketers, gatherers, international natural gas companies, and industry associates. Today, natural gas meets more than one-third of the United States’ energy needs.¹

APGA is the trade association for more than 730 communities across the U.S. that own and operate their retail natural gas distribution entities. They include not-for-profit gas distribution systems owned by municipalities and other local government entities, all locally accountable to the citizens

¹ For more information, please visit www.aga.org.

they serve. Public gas systems focus on providing safe, reliable, and affordable energy to their customers and support their communities by delivering fuel to be used for cooking, clothes drying, and space and water heating, as well as for various commercial and industrial applications.²

NPGA is the national trade association of the propane industry with a membership of about 2,500 companies, and 36 state and regional associations representing members in all 50 states. NPGA's membership includes retail marketers of propane gas who deliver the fuel to the consumer, propane producers, transporters and wholesalers, and manufacturers and distributors of equipment, containers, and appliances. Propane, or liquefied petroleum gas, is used in millions of installations nationwide for home and commercial heating and cooking as well as various other agricultural, industrial, and transportation sectors.³ The variety of appliances powered by propane include the furnaces subject to the agency's proposal.

Spire Inc., Spire Missouri Inc., and Spire Alabama Inc. (collectively "Spire") are in the natural gas utility business. Spire Inc. owns and operates natural gas utilities that distribute natural gas to over 1.7 million residential, commercial, and institutional customers across Missouri, Alabama, and Mississippi, and Spire Missouri Inc. and Spire Alabama Inc. are the largest natural gas utilities serving residential, commercial, and institutional customers in Missouri and Alabama, respectively.

Headquartered in Dallas, Texas, Atmos Energy is one of the nation's largest natural-gas-only distributors, serving more than three million natural gas distribution customers in over 1,400 communities in eight states, from the Blue Ridge Mountains in the East to the Rocky Mountains in the West.

Joint Requesters provide the energy needed to fuel gas-fired heating equipment, thus making them critical stakeholders.

DOE's LCC model is central to its standards proposal—and thus is central to stakeholders' ability to comment on the proposal. At the August 3 webinar, new information was discussed regarding severe flaws in the model. It was further stressed that these should be able to be resolved through a workshop in which DOE and stakeholders can work together to come to a common understanding for an appropriate model.

Participants are unable to meaningfully comment in this proceeding since they cannot make the model work, and the model produces absurd results. When participants run the model using the most current version of the required Excel add-on, Oracle Crystal Ball (11.1.3.0.000), to regenerate results, the model produces summary table results inconsistent with the DOE Technical Support Document ("TSD"). Beyond that, for example, the random assignment analysis underlying DOE's national averages in the model do not reflect the market share of fuel gas customers by state or census division. For the entire Pacific census region, the model attributed only 730 out of 7,196 trials to natural gas retrofits or 10.1% of the market while the 2020 residential energy consumption survey determined that market to be 16% of all households. The model has gaps in coverage where some states only represent one fuel and may underweight or overweight the size of the user base

² For more information, please visit www.apga.org.

³ For more information, please visit www.npga.org.

compared to other states. In some cases, the model produces no trial cases for natural gas customers in certain states, and therefore natural gas customers in those states are not represented in the final results. The model also produces no trial cases for propane customers in certain states, and therefore propane customers in those states are not represented in the final results. The outcome of even one trial case can be significant. For example, the outcome of a single trial case, out of 548 trial cases, in California makes the difference between a standard purportedly providing net LCC benefits and a standard imposing net LCC costs in that state. This is just a sampling of the severe flaws in the model.

Joint Requesters also stressed at the webinar the need for an adequate period of time to enable stakeholders to analyze the results of the workshop and prepare comments.

We are gratified that after hearing these problems and the requests for a workshop, DOE pledged at the webinar that it would take this under consideration and wants to make sure that everyone feels comfortable in relation to an LCC analysis. Joint Requesters believe that the only way to achieve this crucial objective is a workshop in which a common understanding can be reached. Joint Requesters urge that no less than 45 days from receipt of the results of a workshop be provided for submission of comments. Otherwise, they are effectively denied an opportunity to comment in this proceeding.

DOE again recently stated its adherence to transparency in rulemaking when it reformulated its so-called Process Rule. 10 C.F.R. part 430, App. A. In section 1(f), DOE pledges “to use qualitative and quantitative analytical methods that are fully documented for the public and that produce results that can be explained and reproduced, so that the analytical underpinnings for policy decisions on standards are as sound and well-accepted as possible.” In this instance, DOE might achieve that objective with the requested workshop. Without the workshop, however, stakeholders and the public would be kept in the dark about the agency’s analytical methods—thus flying in the face of the objective.

Joint Requesters thank you for the review and consideration of their request. If you have any questions regarding this submission, please do not hesitate to contact the undersigned. We look forward to the establishment of a workshop as soon as possible.

Respectfully submitted,



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Cc: Mr. Matthew Ring (U.S. DOE, Office of the General Counsel)