



October 13, 2015

Ms. Brenda Edwards, EE-41
Office of Energy Efficiency and Renewable Energy
Energy Conservation Program for Consumer Products
U.S. Department of Energy
1000 Independence Avenue, SW.
Washington, DC 20585-0121

Docket Number: **EERE-2014-BT-STD-0031**
RIN: **1904-AD20**

Dear Ms. Edwards:

This letter comprises the comments of the Pacific Gas and Electric Company (PG&E) in response to the Department of Energy (DOE) Notice of Data Availability (NODA) for Energy Conservation Standards for Residential Non-weatherized Gas Furnaces (NWGFs) published September 14, 2015.

Pacific Gas and Electric Company, incorporated in California in 1905, is one of the largest combination natural gas and electric utilities in the United States. Based in San Francisco, the company is a subsidiary of PG&E Corporation. There are approximately 20,000 employees who carry out Pacific Gas and Electric Company's primary business—the transmission and delivery of energy. The company provides natural gas and electric service to approximately 15 million people throughout a 70,000-square-mile service area in northern and central California. We understand the potential of efficiency standards to cut costs and reduce consumption while maintaining or increasing consumer utility of the products. We have a responsibility to our customers to advocate for standards that accurately reflect the climate and conditions of our respective service areas, so as to maximize these positive effects.

We appreciate the opportunity to provide the following recommendations to DOE for this most recent NODA. We continue to support DOE updating the current standard for NWGFs adopted over 30 years ago. We commend the DOE for the thorough analysis performed in support of a proposed standard level of 92% Annual Fuel Utilization Efficiency (AFUE) in the March 2015 Notice of Proposed Rulemaking (NOPR),¹ and we support DOE continuing to refine their analysis and making them available for public comment in this NODA. We offer these comments in support of the proposed standard and to encourage the DOE to go even further and adopt higher efficiency standard levels that DOE has already found to be cost-effective and technically feasible from the analysis presented in the March 2015 NOPR. We urge DOE to consider the following recommendations:

¹ <http://www.regulations.gov/#!documentDetail;D=EERE-2014-BT-STD-0031-0032>

1. PG&E supports a single strong energy conservation standard for all residential furnace equipment.

In this most recent NODA, DOE is considering a cutoff creating a “small furnace definition” (between 45 MBtu/h and 65 MBtu/h) which would exempt smaller furnaces from being required to meet a new energy conservation standard. In California, there are many existing furnace installations that have capacities below the thresholds being considered in the NODA. New dwellings being built to stringent California Building Energy Efficiency Standards (often referred to as Title 24) require even smaller capacity furnaces. This is due to the state’s mild climate. By exempting these furnaces from a higher standard, potential energy savings will not be realized. Thus PG&E supports a single size classification with an energy conservation standard that requires condensing furnace technology.

2. If DOE decides to adopt the proposed capacity based, two-tiered standard, PG&E would support the 45 thousand Btus per hour (MBtu/h) as the cutoff in order to capture the maximum possible savings.

Despite our concerns about the possible decision to split furnaces into two size categories, if DOE moves forward with a two-tiered standard, we would strongly recommend a cutoff of 45 MBtu/h for condensing and noncondensing furnaces. This cutoff size is the lowest size analyzed by DOE. As mentioned above, this is due to the tendency for California furnaces to be sized smaller than the national average. We recommend the smallest cutoff that DOE has considered: 45 MBtu/h.

3. If a dual capacity standard is chosen, PG&E supports 95% AFUE for equipment above the chosen capacity threshold.

The analysis provided by DOE indicates that the energy conservation standard which results in the best combination of national energy savings and net present value to consumers is 80%/95% (small/large) AFUE. In other words, 95% AFUE would be the standard level that results in the most energy savings that is economically justified and technically feasible. It is for that reason that PG&E supports a 95% AFUE energy conservation standard for large furnaces.

In conclusion, we would like to reiterate our support to DOE for refining the rulemaking analysis for energy conservation standard for NWGFs. We thank DOE for the opportunity to be involved in this process and encourage DOE to carefully consider the recommendations outlined in this letter.

Sincerely,

Patrick Eilert
Manager, Codes and Standards
Pacific Gas and Electric Company