

**From:** [Hunt, Marshall](#)  
**To:** [Anderson, Mary](#)  
**Cc:** [Eilert, Patrick L](#)  
**Subject:** RE: Status of DOE Furnace Rule Making  
**Date:** Tuesday, October 13, 2015 6:43:22 PM

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Thank you

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**From:** Anderson, Mary  
**Sent:** Tuesday, October 13, 2015 6:40 PM  
**To:** Berman, Janice S; Hunt, Marshall; Zelmar, Karen; Davis, Vincent  
**Cc:** Eilert, Patrick L  
**Subject:** RE: Status of DOE Furnace Rule Making

The Department of Energy has released additional information and has requested comments on the furnace proceeding. As part of the newly released information DOE has issued a compromise that was brokered by the advocates and industry that raises the capacity cutoff to 50 kBtuH. In an effort to respond to the proceeding PG&E conducted two SW Codes & Standards meetings and exchanged communications with SCG and the other IOUs to develop a joint letter. PG&E was willing to negotiate and compromise with SCG but SCG was not willing to negotiate and questioned our efforts to find common ground. PG&E was willing to reference SCG's letter on any areas of common ground and try and find a compromise that would allow SCG to mitigate the impact to customers impacted by the standard. SCG stated that no compromise was possible on any level and they didn't want to be a part of our letter. In an effort to understand their position PG&E requested the documents behind their position on heating capacity cutoffs. SCG has not sent us, or any of the IOUs, their data to further consider their position.

PG&E is preparing a comment letter that advocates a 50 kBtuH cutoff capacity. This cutoff level allows noncondensing 80 AFUE furnaces with adequate heating capacity and air conditioning airflow to serve the comfort conditioning needs of our customers. The letter is due October 14, 2015.

For this rulemaking the other organizations participating in this rulemaking are taking the following stances:

- ACEEE, NRDC and ASAP are taking PG&E's position on this rulemaking.
- The CEC has emailed us to let us know that they will be urging DOE not to proceed with a capacity based standard. They are taking a more stringent standard than what PG&E is advocating.
- SCE and SDG&E are staying neutral to avoid the controversy.
- Our understanding is that SCG, AHRI and AGA are the major detractors for this rulemaking.

Please do not hesitate to contact me if you want more information. Thank you for your attention to this important issue.

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**From:** Berman, Janice S  
**Sent:** Tuesday, October 13, 2015 5:47 PM  
**To:** Hunt, Marshall; Zelmar, Karen; Davis, Vincent  
**Cc:** Eilert, Patrick L; Anderson, Mary  
**Subject:** RE: Status of DOE Furnace Rule Making  
**Importance:** High

Any update on this?

As Marshall and I discussed, I think it's important to get a note to Nick Stavropoulos tonight, if we plan to file a letter in opposition to AGA's position tomorrow. Given Nick's position at AGA, I do not feel we should submit a letter without letting him know in advance.

I was expecting to see a draft this evening. I am leaving in 15 minutes for dinner, unfortunately, but will look for it as soon as I return,

--Jan

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**From:** Berman, Janice S  
**Sent:** Tuesday, October 13, 2015 2:07 PM  
**To:** Hunt, Marshall; Zelmar, Karen; Davis, Vincent  
**Cc:** Eilert, Patrick L; Anderson, Mary  
**Subject:** RE: Status of DOE Furnace Rule Making

Do you have an update on this?

I just got a call message from Dan Rendler at SoCalGas, who expressed concern with the different positions PG&E and SoCal will apparently be filing tomorrow.

I should give Nick Stavropolous a heads-up of what we're intending to file, and whether AGA is in agreement with our position, and what position SoCal is taking.

--Jan

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**From:** Hunt, Marshall  
**Sent:** Thursday, September 24, 2015 4:39 PM  
**To:** Berman, Janice S; Zelmar, Karen  
**Cc:** Eilert, Patrick L; Anderson, Mary  
**Subject:** Status of DOE Furnace Rule Making

Jan and Karen

This is the present status of the DOE Furnace Standard rule making.

1. Congress forced DOE to consider the AGA, NRDC, and ACEEE capacity based 2 Tier Standard.
2. While there may be some dissenters, AGA is in support of the compromise although the capacity level may go up from 55k BTUh. PG&E C&S team would like the capacity level as low as possible.
3. Advocating for a 95 AFUE for large furnaces (>55 kBTUh) and 80 AFUE for small furnaces is the best value for the nation and will work for California. Compared to the 92 single standard this would increase by 160% the Quads saved and increase the net present value by 210%, which is larger than expected. The higher energy savings are due to the

assumption that there will be a reduction in fuel switching (from gas to electric). This isn't an issue for California compared to non-CA utilities, especially in the Southeast.

4. PG&E is working to have a Statewide IOU C&S Team comment letter. A draft will be out for review Friday. SCG has committed to let the SW IOU team know their position by the end of the week.
5. There is a potential meeting of EE advocates next Wednesday in Washington DC at which time we will know more. I will already be in DC and will attend the meeting. I recommend that an update be sent to Nick on the 7th with the latest information for his use with AGA colleagues.

Please do not hesitate to contact me if you want more information. This compromise would not have happened if we and other EE advocates had not supported the DOE 92 AFUE standard.

Thank you for your attention to this important issue.

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