

BEFORE THE
OFFICE OF ENERGY EFFICIENCY AND RENEWABLE ENERGY
UNITED STATES DEPARTMENT OF ENERGY
WASHINGTON, D.C.

Docket Number EERE-2014-BT-STD-0031/ RIN NO. 1904-AD20

**REQUEST OF AMERICAN GAS ASSOCIATION
AND AMERICAN PUBLIC GAS ASSOCIATION
FOR EXTENSION OF TIME**

The American Gas Association (“AGA”) and the American Public Gas Association (“APGA”), jointly the “Associations,” hereby request an extension of time for filing comments on the Energy Conservation Standards for Residential Furnaces Notice of Proposed Rulemaking (“NOPR”) issued by the Department of Energy (“DOE”) in this proceeding and published on March 12, 2015.¹ The Associations request an extension of 90 days from the current comment date of June 10, 2015. The reasons for the extension are numerous and all go to the efforts of the Associations to provide meaningful comments to DOE on the NOPR.

First, it goes without saying that analyzing the Crystal-Ball model and the various spreadsheets developed and relied on by DOE as the basis for the NOPR is a challenging and time-consuming task.² The Associations and their consultant, the Gas Technology Institute (“GTI”), have proceeded in good faith and with maximum effort to accomplish that task since DOE released its initial spreadsheets in September 2014. We have submitted questions in a timely manner to DOE to facilitate our understanding of the Crystal-Ball program, the

¹ The Associations’ members collectively serve over 70 million natural gas consumers.

² The complexity of the spreadsheet analysis done by the DOE contractors is illustrated by the DOE handout for the March 27, 2015 public meeting and the transcript of same.

aforementioned spreadsheets and the resulting analysis in the Technical Support Document (“TSD”),³ and have spent significant resources and countless hours to try to reach meaningful conclusions regarding the DOE’s analysis. We are making progress, but much work remains to be done in order to complete an analysis and comments that will be helpful to DOE and the general public.

More specifically, some of the many challenges that we are encountering and that require more time to assess and address are as discussed below:

DOE’s reliance on critical proprietary data from Decision Analyst has required the purchase, understanding, and use of detailed information from multiple versions of the American Home Comfort Study. That process has taken several weeks of negotiations and interactions between Decision Analyst staff and GTI analysts for a reasonable understanding and application of the proprietary information used in the LCC spreadsheet analysis/Crystal Ball model. GTI is now in a position to use that data to understand and test the DOE analysis and to incorporate it into various parametric studies.

DOE’s use of EIA 2003 to 2013 historical data to develop average marginal prices for natural gas and electricity calculations is based on dated information that does not reflect actual rate structures. It is anticipated that DOE will update their spreadsheets to incorporate new, recently released EIA data on energy price forecasts that are expected to impact natural gas and electricity prices used in the analysis of the proposed rule. Reviewing the updated analysis will require additional time and will impact the Associations’ detailed investigation into superior data

³ These exchanges between the Associations and DOE are posted at:
<http://www.regulations.gov/#!docketDetail;dct=FR+PR+N+O+SR;rpp=10;po=0;D=EERE-2014-BT-STD-0031>.

sources and methodologies to determine technically defensible marginal gas prices for use in parametric runs.

Important logical inconsistencies identified in the DOE 2014 NWGF LCC analysis and application of Crystal Ball have been identified and will require significant effort to address due to the complex structure of the LCC spreadsheet. Extensive investigation and ongoing efforts are necessary to interpret DOE results, conduct a series of incremental parametric runs, and develop and evaluate alternative options for addressing perceived inconsistencies.

It is anticipated that the Air-Conditioning, Heating and Refrigeration Institute (“AHRI”) will be providing critical regional or state-level shipment data covering the period between 2004 and 2015 that will require substantial time for DOE and stakeholders to incorporate into the proposed rule’s models/spreadsheets, and effort to conduct an updated set of parametric runs.

Further, the DOE Office of Information Resources has declined to provide an expedited response to AGA’s March 31, 2015 Freedom of Information Act request, and thus we are on hold in terms of receiving and analyzing that information.⁴

The above are only some of the many challenging tasks facing the Associations and their consultant, which make adhering to the 90-day comment period infeasible. While no one of these tasks would justify a 90-day extension, the combination of these (and other) tasks confronting our analyst to fully understand the underlying technical basis for the NOPR and the need to conduct additional parametric analyses associated with new and important information/data impacting the proposed rule fully justify the full 90-day extension.

⁴ See April 21, 2015 letter from Alexander C. Morris, FOIA Officer, Office of Information Resources, to Mr. Michael Murray of AGA.

Further complicating matters is the fact that DOE has several relevant rulemakings ongoing simultaneously, specifically dealing with test procedures for residential furnaces and boilers⁵ and with efficiency standards for residential boilers,⁶ residential dryers⁷ and hearth products,⁸ in all of which the Associations have an interest and in all of which comments are due in the May-June time frame. Because the Associations have only limited resources for these matters, it is impossible to meet the deadline set in the subject proceeding and to participate meaningfully in these other proceedings. And since the subject proceeding has such far-ranging impacts and involves the most complex analytical challenges, the Associations are only seeking an extension of time for this proceeding. Certainly, DOE understands the onus it puts on the public when it conducts simultaneous rulemaking proceedings of this nature.

For all of these reasons, each of which goes to the pursuit of gaining full understanding of the NOPR and its consequences, the Associations request an extension of 90 days beyond the current comment deadline of June 10, 2015. The Associations respectfully submit that the requested extension is in the public interest as it will better ensure that the outcome of this proceeding is consistent with the guidelines of the Energy Policy and Conservation Act, the Information Quality Act, and the Administrative Procedure Act, not to mention DOE's own regulations. In addition, more time spent assessing the technical underpinnings of the NOPR and developing quality comments will hasten the conclusion of this proceeding, not delay it in the long run.

⁵ See 80 Fed. Reg. 12876 (March 11, 2015)(comments due May 26, 2015).

⁶ See 80 Fed. Reg. 17222 (March 31, 2015)(comments due June 1, 2015).

⁷ See 80 Fed. Reg. 16309 (March 27, 2015)(comments due May 11, 2015).

⁸ See 80 Fed. Reg. 7082 (February 9, 2015)(comments due May 11, 2015).

Respectfully submitted,

AMERICAN GAS ASSOCIATION

A handwritten signature in black ink that reads "Dave McCurdy". The signature is written in a cursive, flowing style.

Dave McCurdy
President and Chief Executive Officer

AMERICAN PUBLIC GAS ASSOCIATION

A handwritten signature in blue ink that reads "Bert Kalisch". The signature is written in a cursive, flowing style.

Bert Kalisch
President and Chief Executive Officer

April 30, 2015

CC:

Daniel Cohen - Daniel.Cohen@hq.doe.gov

John Cymbalsky - John.Cymbalsky@EE.Doe.Gov

Brenda Edwards - Brenda.Edwards@ee.doe.gov