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Ms. Brenda Edwards
U.S. Department of Energy
Building Technologies Office
Mailstop EE-2B
1000 Independence Avenue, SW
Washington, DC 20585-0121

Re: Notice of Proposed Rulemaking on Energy Conservation Standards for Residential Furnaces Docket No. EERE-2014-BT-STD-0031; RIN 1904-AD20 (Mar. 12, 2015)

Southern California Gas Company (SoCalGas) appreciates the opportunity to participate in the recent Notice of Proposed Rulemaking (NOPR) regarding the Federal minimum standards for residential furnaces. Given the issues outlined in our attached report, we must respectfully oppose the Notice of Proposed Rulemaking. The impact to our customers would be unfair and significant; especially to some of California's most vulnerable residents.

SoCalGas has been delivering clean, safe and reliable natural gas to its customers for more than 140 years. It is the nation's largest natural gas distribution utility, serving 20.9 million consumers through 5.8 million meters in more than 500 communities. The company's service territory encompasses approximately 20,000 square miles in diverse terrain throughout Central and Southern California, from Visalia to the Mexican border.

California leads the Nation in energy policy. The state's Investor Owned Utilities are advancing energy efficiency not only as a way to protect the environment but also to serve our respective customers. For decades, SoCalGas has been actively pursuing highly efficient natural gas use by promoting energy efficiency and driving advancements in natural gas equipment and low emissions technologies as well as investing in advanced technologies in renewable natural gas and distributed generation.

SoCalGas' achievements in energy efficiency are significant, having realized savings equivalent to almost 152 million therms over the past five years and over 560 million therms since 1990. Currently, we run 82 energy-efficiency programs, have an annual

therm savings goal of over 25 million therms, an annual budget of \$89.5 million and employ 186 people to deliver these programs. In addition, our low-income energy efficiency programs have treated over 569,000 low-income households with energy efficiency upgrades at no cost to those households. In 2014 alone, we avoided 170,000 tons of CO₂ emissions. Our programs have also helped to create 8,000 jobs in California.

We believe in striving for the right action to ensure that our current and future customers have the best and most efficient technologies at their disposal and are able to obtain them easily with our rebate and incentive programs. We believe that it is our responsibility to continue to act assertively in the energy-efficiency realm in an effort to combat climate change and slow the impacts of that phenomenon on future generations.

SoCalGas will continue to work closely with the United States Department of Energy (DOE) to move the appropriate technologies through the codes and standards cycle to introduce the most efficient technologies into the marketplace on behalf of our customers. However, we also have a responsibility to our customers to ensure that our actions do not have a negative impact on them financially. We assess each of these actions thoroughly to validate that they are technically feasible and economically justified. SoCalGas has conducted two separate analyses on the impact of this NOPR on our customers and have concluded that the proposed outcome of this rulemaking is not technically feasible and/or economically justified.

SoCalGas opposes the advancement of Energy Conservation Standards for Residential Furnaces Docket No. EERE-2014-BT-STD-0031; RIN 1904-AD20 at this time and in its current form.

Attached you will find a report detailing the reasons for our opposition.

Sincerely,



Rodger R. Schwecke
Vice President, Customer Solutions

cc: John Cymbalsky, DOE Office of Energy Efficiency and Renewable Energy
Eric Stas, DOE Office of the General Counsel
Johanna Hariharan, DOE Office of the General Counsel