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September 12, 2023

The Honorable Jeff Duncan  
Chair, Subcommittee on Energy, Climate  
& Grid Security  
U.S. House of Representatives  
2125 Rayburn House Office Building  
Washington, D.C. 20515

The Honorable Diana DeGette  
Ranking Member, Subcommittee on  
Energy, Climate & Grid Security  
U.S. House of Representatives  
2322A Rayburn House Office Building  
Washington, D.C. 20515

On behalf of the National Energy & Fuels Institute (NEFI), I am writing in strong support of the “DOE Appliance and Equipment Standards Reform and Consumer Protection Act” which will be examined during tomorrow’s subcommittee hearing titled *Keeping the Lights On: Enhancing Reliability and Efficiency to Power American Homes*.<sup>1</sup>

NEFI represents mostly small, independent Main Street businesses that deliver essential heating fuels and sell, service, and install related appliances and equipment for millions of American homes and businesses. We believe this timely legislation will responsibly balance objectives around grid reliability and security and residential energy efficiency with the critical need to maintain equitable consumer choice and access to affordable home energy solutions.

The “DOE Appliance and Equipment Standards Reform and Consumer Protection Act” includes provisions to require technologically feasible and economically justified standards, while considering the cost implications for hard working Americans - especially low-income families. Providing greater choice with respect to heating, ventilation, and air conditioning (HVAC) appliances and equipment will empower these households with the ability to select the most efficient options that align with their budgets, needs, and regional climate considerations.

The U.S. Department of Energy (DOE) seeks to make non-electric home appliances less competitive or no longer viable through stringent new efficiency rules on products including liquid-, gas-, and biofuel-fired (or “fuel-fired”) water heaters, furnaces, and boilers.<sup>2</sup> Lacking the authority to ban these appliances outright, it appears the agency is attempting to prevent consumer access by making them prohibitively expensive. Meanwhile, the Environmental Protection Agency (EPA) has announced plans to eliminate furnaces and boilers, central air conditioners, and gas clothes dryers from the ENERGY STAR<sup>®</sup> program by the end of 2024.<sup>3</sup>

The administration’s stated goal is to compel consumers towards expensive electric heat pump technologies without regard for the short- and long-term implications for household costs, reliability, and equitable access. For homeowners, conversion costs to air source heat pumps can easily exceed \$20,000 per household, according to pre-pandemic estimates.<sup>4</sup> This is an impossible burden for low- and moderate-income families. Operational costs are also likely to rise significantly in many parts of the country due to higher electric rates.

Reliability is another major concern. Rapid economywide electrification will push grids to the brink, increasing the risk of winter blackouts when heating demand peaks. Importantly, air source heat pumps often do not perform efficiently in extremely cold temperatures. As a result, even homes that utilize heat pumps will frequently require a conventional furnace or boiler as a secondary heating system when temperatures drop below freezing. To put it simply, for our nation to have all its eggs in the proverbial “heat pump” basket is a recipe for disaster. It exposes consumers to potential blackouts, system inefficiencies, higher costs, and potentially even national security risks.

Administration policies also ignore exciting innovations in liquid heating fuel combustion. Liquid heating fuel burners rated for B100 (pure biodiesel) are now hitting the market, which is facilitating the deployment of furnaces and boilers capable of efficiently utilizing high concentrations of renewable fuels. Ohio-based R.W. Beckett Corporation began shipping the first UL listed burners for use with concentrations up to 100% renewable liquid heating fuels earlier this year.<sup>5</sup> On June 22, 2023, Carlin Combustion Technologies, Inc. of North Haven, Connecticut also announced it will soon offer its own UL-listed 100% renewable liquid heating fuel burner to American consumers.<sup>6</sup>

Modern, high-efficiency heating systems running on renewable fuels represent an equitable, pragmatic path to dramatic emissions reductions while protecting consumers and lowering their energy costs. These systems deserve recognition within appliance efficiency regulatory policies and should continue to have access to ENERGY STAR performance labels. As your subcommittee examines challenges around grid reliability and security, preserving fuel- and technology-neutral policies will be paramount. Reliable home energy requires a common sense, consumer-focused, and equitable approach.

Thank you for your consideration of this matter. We would be happy to answer any questions you may have or provide any additional information you may require.

Respectfully submitted,



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<sup>1</sup> Scheduled for Wednesday, September 12, 2023, at 10:00am EDT.

<sup>2</sup> See RIN #1904-AD34, 1904-AE82, and 1904-AD91.

<sup>3</sup> U.S. Environmental Protection Agency’s ENERGY STAR Products Partner Public Notices published on May 18, 2023 (Furnace and CAC Proposal) and June 5, 2023 (Residential Boiler Proposal), available at: [https://www.energystar.gov/partner\\_resources/products\\_partner\\_resources/public\\_notices](https://www.energystar.gov/partner_resources/products_partner_resources/public_notices) (accessed Sept. 12, 2023).

<sup>4</sup> Cost of Residential Air-source Heat Pumps, Diversified Energy Solutions, September 24, 2021. Given its date of publication, this study uses pre-pandemic cost estimates that, given high inflation, increased labor costs, and ongoing supply chain disruptions, are likely now significantly higher.

<sup>5</sup> <https://www.beckettcorp.com/product-announcements/r-w-beckett-af-afg-oil-and-renewable-fuels-burner-the-industrys-first-b100-ul-listed-burner>

<sup>6</sup> Announcement at the NEFI Heating & Energizing America Trade Show or “HEAT Show” in Springfield, MA.