



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

Re: Proposed Rules: Energy Conservation Program for Consumer Products;
Central Air Conditioners and Heat Pumps Energy Conservation Standards.

Docket Number: EERE-2008-BT-STD-0006
RIN: 1904-AB47

Dear Ms. Edwards:

This letter comprises the joint statement of Enterprise Community Partners, the National Consumer Law Center, and the Natural Resources Defense Council on general issues pertaining to low income consumers in the Department's Framework document and public meeting on Residential Air Conditioners and Heat Pumps.

Enterprise is a national nonprofit organization that invests \$1 billion annually to create affordable homes and stronger communities for low-income families across the U.S. Enterprise's Green Communities initiative is the largest effort in the country to increase energy efficiency and deliver other environmental benefits in affordable homes for low-income families, with more than 300 projects and more than 12,500 units complete or in development. Enterprise received an Energy Star Award for Excellence in Affordable Housing from EPA in 2007.

The National Consumer Law Center is a non-profit organization that advocates for economic justice in the marketplace on behalf of low-income consumers. Advocacy on energy and utility issues has been part of NCLC's work for more than 35 years. NCLC has been active in a number of energy efficiency dockets before DOE, and is particularly interested in ensuring that DOE adopt the strictest standards that are technically feasible and economically justified.

Enterprise Community Partners 10227 Wincopin Circle Columbia, Maryland 21044 800.624.4298	National Consumer Law Center 77 Summer Street, 10 th Fl. Boston, MA 02110-1006 617.542.8010	Natural Resources Defense Council 1200 New York Ave NW, Ste 400 Washington, DC 20005 202.289.6868
--	---	--

The Natural Resources Defense Council is a national environmental advocacy organization with over 555,000 members. NRDC has spent decades working to build and improve DOE's federal appliance standards programs because of the important energy, environmental, consumer and reliability benefits of appliance efficiency standards. NRDC participated in the enactment of the first federal legislation establishing efficiency standards, and has been active in all significant rulemakings since then.

The efficiency levels of all residential appliances are of vast import to low income consumers and their advocates. The consumers with the least income spend the largest percentage of all users on energy costs. They often rent and have no choice but to use the lowest efficiency model, as chosen for them by a landlord. They are disproportionately affected by the decisions made by the Department in standards rulemakings; therefore the Department should take great care in handling the very sensitive issues present in this rulemaking.

I. DOE should fully analyze the energy savings potential of regional standards

Because low income consumers spend a larger portion of their income on energy costs, they are therefore disproportionately affected by being required to buy or operate equipment which does not perform well in their region. Field efficiency for air conditioners depends in very large part on operating conditions. Current air conditioner rating methods are based on a continental average climate, such as may be prevalent in St. Louis or Chicago. But, an air conditioner which is reasonably efficient in Chicago can be far less efficient in Phoenix, where average operating temperatures are much higher. Low income residents in Phoenix, AZ are harmed when DOE forces them to buy air conditioners optimized for a continental climate rather than a hot-dry climate. Yet this is what will happen should the Department fail to set standards that consider the immense variation in regional operating conditions and continue to rely on rating methods which do not reflect these differences.

II. DOE must utilize an accurate rating method

The Department needs to update the rating method in such a way as to reflect the actual operating conditions. The Seasonal Energy Efficiency Ratio (SEER) currently does not reflect the actual performance or efficiency of the unit at extremely high temperatures. Low income consumers in hot-dry areas cannot afford to pay the unexpected increases in electricity costs in the summer months caused by performance degradation at high temperatures resulting from an insufficient rating method. The Department must consider these effects on the low income consumer and take steps to rectify the situation.

III. DOE must explicitly consider the effect of the standard on electricity demand

Air conditioners represent a significant portion of peak demand. Large peak demand increases the cost of electricity by requiring additional generation capacity. Low income consumers are disproportionately affected by electricity cost increases and the environmental problems associated with some types of electricity production. Therefore,

it is imperative that the Department must explicitly consider revised standards' effect on electricity demand.

Further, the Department must consider the standards' effects on all consumers, even those who do not purchase or operate air conditioners. Because air conditioners are the driving factor behind peak demand, they have disproportionate influence on future electricity rates and the overall safety of the system. Should electricity rates rise or the grid be driven to blackout by increasing peak demands, consequences are felt by every electricity user and not only those users which operate air conditioners. The social impacts of air conditioner energy use are a vital concern to low income households, since they cannot afford increased rates. To the extent that air conditioner peak demand triggers power outages in a heat wave, it is the lowest income households who are most vulnerable.

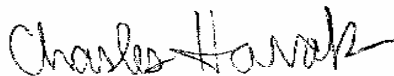
IV. DOE must abide by their Congressional mandate to set the maximum standard level that is 'economically justified and technologically feasible'

For all the reasons discussed above, the Department must abide by their Congressional mandate and set the standard level at the highest level of efficiency which is 'technologically feasible and economically justified.' To meet this requirement, the Department must accurately assess regional standards, fix the rating method, and consider the true costs of peak demand. Unless these issues are dealt with, the interests of all residents regardless of income level will not be served.

Sincerely,



Stockton Williams
Senior Vice President, Chief Strategy Officer
Enterprise Community Partners



Charles Harak
Senior Attorney, Energy and Utility Project
National Consumer Law Center, on behalf of its low income clients



David B. Goldstein
Energy Program Director
Natural Resources Defense Council