

June 2, 2025

Submitted electronically via www.regulations.gov

Mr. Lucas Adin
Office of Energy Efficiency and Renewable Energy
U.S. Department of Energy
1000 Independence Ave. SW, EE-5B
Washington, DC 20585
ProcessRule2025STD0001@ee.doe.gov

Re: Energy Conservation Program: Procedures, Interpretations, and Policies for Consideration of New or Revised Energy Conservation Standards and Test Procedures for Consumer Products and Certain Commercial/Industrial Equipment (EERE-2025-BT-STD-0001)

Dear Mr. Adin:

The National Rural Electric Cooperative Association (NRECA) respectfully submits the following comments to the U.S. Department of Energy (DOE) in response to the agency's Request for Information (RFI) on Energy Conservation Program: Procedures, Interpretations, and Policies for Consideration of New or Revised Energy Conservation Standards and Test Procedures for Consumer Products and Certain Commercial/Industrial Equipment (hereafter, DOE's "Process Rule") (DOE-HQ-2023-0063).

NRECA is the national trade association representing nearly 900 not-for-profit electric cooperatives and other rural electric utilities. America's electric cooperatives are owned by the people that they serve and comprise a unique sector of the electric industry. NRECA's member cooperatives include 64 generation and transmission (G&T) cooperatives and 830 distribution cooperatives.

Electric cooperatives provide power to one in eight Americans and serve as engines of economic development for 42 million people across 56% of the nation's landmass.⁶ They own and maintain 2.7 million miles, or 42%, of the nation's electric distribution lines and serve large expanses of the United States that are primarily residential and typically sparsely populated.⁷ Those characteristics make it comparatively more expensive for rural electric cooperatives to operate than the rest of the electric sector, which tends to serve more compact, industrialized, and densely populated areas.

Locally, cooperatives are focused on powering and empowering their communities. Nationally, electric cooperatives are focused on advocating for smart energy policy that keeps the lights on. This includes pressing for solutions to meet increasing energy demands at a cost local families and businesses can afford.

Electric cooperatives operate without shareholders and are uniquely affected by regulatory mandates. Any increased costs for cooperatives must be passed along directly to their consumer-members at the

end of the line. It is therefore critical that agencies issue regulations, to include energy conservation standards, that are cost effective.

Electric cooperatives have a long history of supporting energy efficiency and are committed to finding Cost effective solutions that help their consumer-members save money. Cooperatives actively seek out ways to save energy and pass those savings on to their consumer-members as part of their commitment to affordable and reliable electric service. **We appreciate DOE's issuance of this RFI as the first step toward thoughtfully considering improvements to the Process Rule. Energy conservation standards should appropriately balance achievable energy savings with minimizing cost burden for consumers and regulatory burden for cooperatives.**

We support DOE's efforts to reform the Process Rule in ways that will lead to more commonsense outcomes when updating energy conservation standards. Accordingly, in any subsequent updates to the Process Rule, DOE should account for key issues that stakeholders have raised and incorporate the information provided. For example, this could include updating assumptions and data regarding real time supply chain dynamics that have changed in the market since the last standard was set. Where efficiency improvements are truly minimal, we urge the Process Rule to provide additional clarity around DOE's existing statutory authority to keep a standard in place rather than mandating incremental efficiency improvements with truly diminishing returns.

Recent evidence for the importance of making these changes can be found in the December 2022 proposal to update the distribution transformer energy conservation standard. The proposed rule would have upended the market at a time when all utilities were struggling to procure distribution transformers and manufacturers could not keep up with demand. Not only did DOE propose a standard that relied on flawed assumptions and ignored real-world challenges facing the distribution transformer market, but it did so for products that were already above 98% efficient with most over 99%.

Finally, we support the administration's focus on enhancing consumer choice and urge DOE to undertake improvements to the Process Rule that will yield such results in energy conservation standards. We support DOE's stated intention in the RFI to more closely review the assumptions, models, and methodologies used in setting energy conservation standards. We believe that should include review of assumptions that directly impact the affordability of products, including increased installation costs that may be necessary due to product changes and can vary with housing type.

We support DOE's thoughtful consideration of changes to the Process Rule that will support the president's objective to Unleash American Energy as well as increase choice and affordability for American consumers. Cost-effective and lawful federal regulations that minimize unnecessary burdens are critical to cooperatives' ability to provide affordable, reliable, and safe electricity to their consumer-members. DOE has an important opportunity to achieve these objectives as it moves forward with changes to the Process Rule.

Letter to U.S. Department of Energy
RE: Process Rule RFI (EERE-2025-BT-STD-0001)
June 2, 2025

Thank you for considering our comments. Please contact me at 703-907-5732 if you have any questions.

Sincerely,

Stephanie Crawford

Stephanie Crawford
Regulatory Affairs Director
National Rural Electric Cooperative Association