

October 4, 2016

To: Laura Barhydt, U.S. Department of Energy

From: Amy Shepherd, General Counsel, AHRI

Re: Ex Parte Communication on Department of Energy Test Procedures for Consumer and Commercial Water Heaters; Proposed Rule Establishing a Mathematical Conversion Factor

On September 16, 2016, AHRI staff and water heater manufacturer representatives met with representatives from the Department of Energy (DOE) to discuss the Supplemental Notice of Proposed Rulemaking (SNOPR) issued on August 30, 2016, which: (1) updates the proposed mathematical conversion factors based on new test data received after the publication of the April 2015 NOPR; (2) proposes updates to the methodology for developing the conversions for certain covered water heaters based on feedback received from interested parties; and (3) proposes a new approach for denominating the existing energy conservation standards in terms of the new uniform energy factor (UEF) metric. The meeting was held at DOE offices in Washington, DC. A list of attendees is provided below.

At the meeting, the group exchanged information pertaining to the SNOPR, including testing and reporting requirements for manufacturers, with Laura Barhydt, Daniel Cohen, Smitha Vemuri and Ashley Armstrong of DOE and Hampton Newsome of the Federal Trade Commission. Topics included:

- The probable timelines for compliance with DOE testing and certification and for FTC labeling requirements (including enclosed document).
- The steps manufacturers will need to take to modify representations and labeling to present the new UEF metric.
- Issues on which manufacturers could seek clarification or present additional information in public comments.
- The impact of the limited time period for which DOE is accepting public comments.

Attending:

- Bruce Carnevale, Bradford White
- Adam Olsen, representing Bradford White
- Eric Truskoski, Bradford White

- Joshua Greene, A.O. Smith
- Darrell Schuh, A.O. Smith
- Dave Berning, A.O. Smith
- Karen Myers, Rheem
- Joe Boros, Rheem
- Russell Pate, Rheem
- Jack Scanlon, Rheem
- Justin Jenne, HTP
- Dan Moffroid, Bosch
- Hector A. Jimenez, Calentadores de America SA de CV
- Neil McDonald, GE
- Paul Hikspoors, Giant
- Jeff Kleiss, Lochinvar
- Frank Stanonik, AHRI
- Amy Shepherd, AHRI

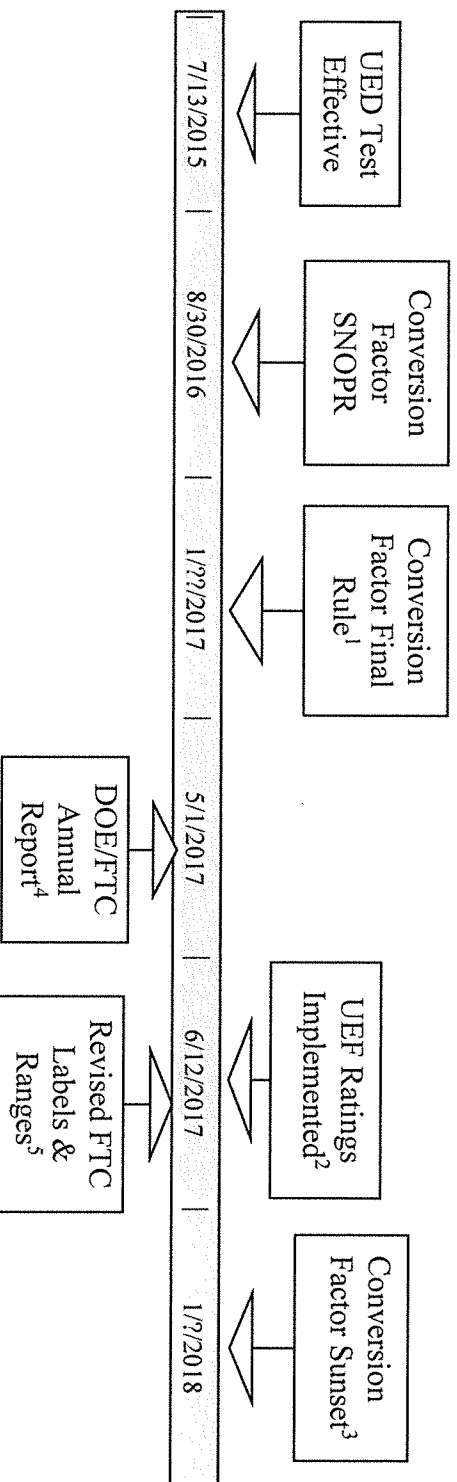
Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Amy Shepherd".

Amy Shepherd
General Counsel
Air-Conditioning, Heating, and Refrigeration Institute

Encl.

Universal Efficiency Descriptor (UED) Implementation



1. Under the present circumstances it seems that the final rule for the conversion factor will not be issued before the end of the year.
2. Although DOE has suggested that the conversion factor final rule would be effective and implemented immediately, this timeline illustrates why there should be some delay in the implementation.
3. After some date in January 2018 all models covered by the UED test procedure must be rated based on tests in accordance with that procedure.
4. To manage this transition, the efficiency ratings provided in this report should be Uniform Energy Factor values. This will be a mix of tested and converted values.
5. FTC issued a final rule on September 15, 2016 which specifies revised ranges of comparability and revised FTC labels for residential water heaters using UED ratings. The effective date for these revised labels in June 12, 2017. Ideally, the implementation of DOE's regulations regarding the display of UEF ratings should coincide with the effective date of the revised FTC labels.