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*Comment Received From: A.O. Smith
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AOSmith Comments to CEC on Title 24 August 15day language

Additional submitted attachment is included below.



September 6, 2024

California Energy Commission
Re: Docket #: 22-BSTD-01
Project Title: 2025 Energy Code Pre-Rulemaking
1516 Ninth Street
Sacramento, CA 95814

RE: A. O. Smith Comments to Section 170.2 of the 2025 Title 24, 15-Day Express Terms

A. O. Smith Corporation (“A. O. Smith” or “Company”) appreciates the opportunity to submit comments on the 2025 Building Energy Efficiency Standards, Title 24 Parts 1 and 6, Express Terms, 15-day Language (“Express Terms”), published on August 22, 2024. The Company worked with the Codes and Standards Enforcement (“CASE”) team during the pre-rulemaking phase and appreciates the work the CASE team has done to incorporate its feedback into the Express Terms. However, the Company has newly raised concerns over the unintended consequences of the California Energy Commission (“CEC” or “Commission”) adopting the requirements of the Northwest Energy Efficiency Alliance (“NEEA”) Advanced Water Heating Specification (“AWHS”) V8.1 in JA13.3.2(a) and the potential conflict this has with the proposed public policy goal of enabling the increased use of demand response capabilities in water heating equipment.

About A. O. Smith

A. O. Smith Corporation, with global headquarters in Milwaukee, Wisconsin since 1874, applies technology and energy-efficient solutions to products manufactured and marketed worldwide with operations in the U.S., Canada, China, India, Mexico, the Netherlands, and the UK. Listed on the New York Stock Exchange (NYSE: AOS), the Company is one of the world’s largest manufacturers of residential and commercial water heating equipment and boilers, as well as a leading manufacturer of water treatment and air purification products. Along with its wholly owned subsidiaries, A. O. Smith is the largest manufacturer and seller of residential and commercial water heating equipment, high efficiency residential and commercial boilers, and pool heaters in North America.

Overview

On July 15, 2024, NEEA updated their AHWS to version 8.1. A key update to the standard from version 8.0 is the requirement of a demand response certification through either (1) the OpenADR Alliance’s EcoPortCM Certified Product Database; or (2) a future directory maintained by the Air-Conditioning Heating and Refrigeration Institute (“AHRI”) to demonstrate certification to AHRI Standard 1430. Critical to this issue is that there is currently no directory at AHRI for listing compliance to AHRI Standard 1430, and currently the EcoPortCM Certified Product Database is not an industry standard for water heaters and only has nine products listed on it. By including the requirement that a product must “all requirements of the Northwest Energy Efficiency Alliance (NEEA) Advanced Water Heating

Specification Tier 3 or higher” CEC would be adding additional requirements to the product above and beyond setting a minimum efficiency for compliance.

Joint Appendix JA13.3.2: Minimum Performance Requirements

The Company requests that CEC revise the requirements of JA13.3.2(a) such that it is only requiring compliance with the efficiency requirements outlined for Tier 3 compliance with NEEA AWHS V8.1. While this requirement has always required many additional non-efficiency criteria to be met for compliance with Tier 3 through Versions, 7.0 and 8.0, many of these requirements are aligned with ENERGYSTAR® (“EnergyStar”), which every HPWH on the market is listed to, or required a non-performance metric that was already industry standard. As a result, the requirement did not add compliance burden to the water heater manufacturing industry. However, with the recent update of the specification from version 8.0 to Version 8.1, NEEA is now requiring, prematurely in the Company’s view, that products be listed to a compliance database ahead of an industry compliance program being developed and implemented through AHRI. Additionally, these additional requirements conflict, and go beyond, the requirements set forth in JA13 for controls and verification. As the AWHS is only required in the Appendix JA13 to set efficiency minimums for products, the Company recommends that the Commission should update the requirements to state that a product must meet “all requirements of Section 2.4.2 of the Northwest Energy Efficiency Alliance (NEEA) Advanced Water Heating Specification Tier 3 or higher.” Updating the language in this way will avoid any confusion in the market of the requirements of the Appendix JA13 for energy efficiency, controls and required listing and labeling of products.

Section 100.1 NEEA ADVANCED WATER HEATER SPECIFICATION

The Company supports CEC incorporating the most recent version of NEEA’s AWHS, however the impacts of this change could impact the stringency and the cost of compliance with the standard as compared to AWHS V8.0, which is the basis of CASE Team reports. One major issue highlighted above is the added requirement for EcoPort certification in the specification to comply with Tier 3 performance. The Company recommends that CEC should review the use of the NEEA AHWS throughout Title 24 to ensure there are no additional unintended impacts of incorporating the most recent version of the AWHS.

Conclusion

A. O. Smith appreciates the opportunity to provide comments in response to the 2025 Building Energy Efficiency Standards, Title 24 Parts 1 and 6, Express Terms, 15-day Language. Please feel free to contact me if you have questions and the Company stands ready to work with the Commission moving forward.

Best Regards,



Kyle Bergeron

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