

DOCKETED

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Regarding Proposed Changes to the Building Energy Efficiency Standards

Additional submitted attachment is included below.



May 7, 2018

California Energy Commission
Docket Unit, MS-4
Re: Docket No. 17-BSTD-01
1516 Ninth Street
Sacramento, California 95814-5512
Docket@energy.ca.gov; adrian.ownby@energy.ca.gov

Re: Proposed Changes to the Building Energy Efficiency Standards in the California Code of Regulations, Title 24, Part 6 – “Title 24-2019 15 Day Express Terms and February Public Hearings [Docket No. 17-BSTD-02]”

Dear Mr. Ownby:

What follows is the submission of the A. O. Smith Corporation (“A. O. Smith”) in response to the Proposed Changes to the Building Energy Efficiency Standards in the California Code of Regulations, Title 24, Part 6 – “Title 24-2019 15 Day Express Terms [Docket No. 17-BSTD-02]”.

A. O. Smith is the largest manufacturer and seller of residential and commercial water heating equipment, including hydronic systems, in the United States with a history of manufacturing water heating and hydronic systems since 1938. It is with this considered experience that we welcome the opportunity to comment on the California Energy Commission’s (“Commission”) proposed changes under Title 24, Part 6 of the California Code of Regulations regarding building energy efficiency standards.

Overview

In general A. O. Smith is pleased to see that the Commission, through the its 15-day language, continues to embrace a more technology neutral approach as it relates to domestic water heating in the built environment in the State of California. A. O, Smith does appreciate clarifying language that has been included as part of the 15-day language.

However, the 15 day language does raise new questions and policy issues without the benefit of having supporting CASE Report materials or other empirical data to explain the

Commission's thinking. In addition, A. O. Smith still believes the proposals addressing domestic water heating continues a pattern from the Commission that advantages the utilization of tankless and/or compact distribution water heating systems over storage tank technology of equal or greater efficiency. Lastly, the 15-day language still contains proposed amendments that may be in direct conflict with federal law, which if adopted would lead to unnecessary and costly litigation and result in greater business uncertainty. Along those lines, and building off its March 5, 2018 comments to the 45-day language, A. O. Smith urges the Commission to reevaluate, and in some instances, revise or withdraw, some of its amendments with a focus on providing manufacturers, builders, and consumers with greater business certainty ahead of the proposed January 1, 2020 effective date of the proposed 2019 amendments.

Mandatory Features and Devices – Section 150.0

150.0(n)(1)(A)

A. O. Smith is supportive of clarifying that a dedicated outlet be installed closer to the water heater. This action will assist in the transition and installation of water heating equipment that contains more advanced electronic controls, as well as allowing for future upgrades within a home to higher efficiency water heating equipment. However, A. O. Smith is concerned that the new 15-day language requiring a 125 volt, 20 amp electrical receptacle may impact the ability to install a heat pump water heater. In addition, A. O. Smith is concerned with the new 15-day language proposal that would require a Type B vent with straight pipe in use with a Category III or IV vent. It is not clear why this was inserted and whether or not the Commission has completed its due diligence on whether or not there are any Category III vents that can be sleeved with a Type B vent and what impacts this change may have on the installation of high efficiency water heating equipment in the State.

Prescriptive Requirements – Section 150.1

150.1(c)8.A(ii, iii, and iv)

Again, A. O. Smith appreciates the clarifications made to this Section, but the 15-day language continues to raise questions surrounding the Commission's prerogative of including other design features as a condition of installation. Moreover, and as stated in our March 5 comments to the 45-day language, A. O. Smith questions the legality of eliminating from commerce in the State of California, gas or propane storage water heaters with inputs of 105,000 Btu per hour or less and rated storage volumes of less than 55 gallons. There are numerous highly efficient (i.e. condensing) gas and propane water heaters with inputs between 75,000 Btu/h and 105,000 Btu/h that would be arbitrarily disqualified for installation in the State in violation of federal law. In addition, A. O. Smith still remains concerned that the 15-day language continues to arbitrarily tie heat pump water heaters with new solar PV systems for Climate Zones 1 and 16 in potential violation of federal law.

Prescriptive Requirements – Section 150.2 - Additions and Alterations

150.2 (b) H(iii) Water-Heating System

A. O. Smith appreciates the Commission's removal of the mandatory pairing of a heat pump water heater and a solar PV system requirement for Climate zones 1 through 15. However, A. O. Smith does have strong concerns with the new requirement as proposed in the 15-day language that would require the heat pump water heater to be "*installed with a communication interface that meets either [sic "of"] the requirements of 110.12(a)*". While the issue of communication interfaces is addressed separately by the Commission, and may have merit in its own right, A. O. Smith believes that including it as a mandatory requirement for installation of a heat pump water heater in the context of a consumer's addition or alteration of their home may act as an unnecessary deterrent by adding costs to the installation of a highly efficient water heater.

Demand Response – Section 110.12(a)

As A. O. Smith stated in its March 5 comments to the 45-day language, it supports, in general terms, the Commission's recommendation on demand response and load management. However, A. O. Smith urges the Commission to ensure that in any ensuing final amendments that a technology neutral approach is taken regarding communication protocols for connected devices and appliances. There were several commenters on this issue and the comments of Mitsubishi Electric US, Inc., as well as AHRI to the 15-day language are very instructive to the complexities surrounding this topic. In the final analysis, by picking a "winner" (i.e. OpenADR 2.0a and OpenADR 2.0b), the Commission is inserting unnecessary complexity and business uncertainty for home builders, appliance manufacturers, utilities, and homeowners. In addition, what happens when a newer protocol is created that replaces OpenADR? It is ironic that the Commission would knowingly want to stifle innovation where a few hundred miles to its south that very innovation is probably at work perfecting, if not figuring out, the next communication protocols that will enhance the ability for utilities, manufacturers, and their customers to more actively participate in a truly smart-grid that allows mutual benefits, including assisting the State of California meet its energy and environmental policy goals.

Conclusion

A. O. Smith agrees with the Commission regarding the role that energy efficiency plays in meeting the State's policy objectives. However, and as discussed above, the Commission can achieve its stated objectives and goals **while at the same time** provide a level playing field for domestic water heating and hydronic equipment manufacturers. A. O. Smith's recommendations, along with those of other similar situated manufacturers and interested commenters, reflect a consensus on how, working with the Commission, to achieve those shared goals.

Once again, A. O. Smith appreciates the opportunity to provide its comments and stands ready to work with the Commission moving forward.

Sincerely,

A handwritten signature in black ink, appearing to read "Joshua C. Greene". The signature is fluid and cursive, with a long horizontal stroke at the end.

Joshua C. Greene
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