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## PHTA-NEMA Comments on CEC Notice of Proposed Action Replacement Pool Pump Motors 19-AAER-02

Additional submitted attachment is included below.



## PHILIP A. SQUAIR

Vice President, Government Relations

April 6, 2020

Online via:

https://www.energy.ca.gov/appliances/2019-AAER-02

Commissioner Andrew McAllister California Energy Commission Docket No. 19-AAER-02 1516 Ninth Street Sacramento, CA 95814-5512

## PHTA-NEMA Comments on CEC Notice of Proposed Action Replacement Pool Pump Motors 19-AAER-02

ALLIANCE

Attachment: PHTA-NEMA Comments of October 21, 2019

Dear Commissioner McAllister:

The Pool and Hot Tub Alliance (PHTA) and National Electrical Manufacturers Association (NEMA) submit the following comments:

The Pool & Hot Tub Alliance was formed in 2019, combining the Association of Pool & Spa Professionals (APSP) and the National Swimming Pool Foundation (NSPF). PHTA represents more than 3,568 company members and 11,117 individual members nationwide, including 221-member companies and 717 individual members in California. During 2017, the U.S. swimming pool and hot tub industry contributed more than \$36.5 billion and 382,000 job equivalents to the U.S. economy.

The National Electrical Manufacturers Association (NEMA) represents more than 325 electrical equipment and medical imaging manufacturers that make safe, reliable, and efficient products and systems across 56 product Sections. Our combined industries account for 370,000 American jobs in more than 6,100 facilities covering every state. Our industry produces \$124 billion electrical equipment and medical imaging shipments per year with \$42 billion exported.

We welcome your careful consideration of these comments. Our Members look forward to an outcome that meets their expectations. If you have any questions on these comments, please contact Jennifer Hatfield of PHTA at <a href="mailto:ihatfield@phta.org">ihatfield@phta.org</a> or Alex Boesenberg of NEMA at <a href="mailto:alex.boesenberg@nema.org">alex.boesenberg@nema.org</a>.

Sincerely,

Jennifer Hatfield
Director, Government Affairs
Pool & Hot Tub Alliance

Phil Squair
Vice President, Government Affairs
National Electrical Manufacturers Association

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## PHTA-NEMA COMMENTS AND CONCERNS

Our associations have submitted comments several times during the informal pre-rulemaking activities, most recently on October 21, 2019 (see attachment). To date we have not received any detailed response to these comments, and as such we are submitting them again to make them part of the formal rulemaking record.

To summarize our previously submitted concerns:

- The CEC is deviating from its previous public position in joint petition to the U.S.
   Department of Energy to request National standards for these products. PHTA and NEMA continue to favor a single National standard and we call on the CEC to maintain its original position in favor of this. As such this proposal should not be adopted.
- 2) In its analysis, the CEC has grossly overestimated the number of booster pump motor shipments. This overestimate unfairly tilts the economic analysis to justify a regulation where in fact this may not be true.
- 3) Incremental cost assumptions of the price difference between booster pumps and variable speed pumps are too low as evidenced by 2019 prices, again incorrectly favoring the economic payback cost justification calculations.
- 4) Another point of concern for our stakeholders is the CEC induced market incentive to move back to single speed pumps due to the misalignment of maximum single speed replacement motor Total Horsepower (THP) at 0.49THP compared to the DOE DPPP single speed maximum of .710 Hydraulic Horsepower (HHP) which is approximately equivalent to motor THP of 1.15THP. The consequence of this misalignment is the vast majority of motor failures in the range of 0.50THP to 1.15THP or greater will be replaced with a single speed pump compliant to DOE DPPP EL2 efficiency levels. The CEC does not appear to have included this regulatory induced market trend in the analysis of energy savings. A DOE compliant single speed pump less than .711HHP will likely be lower cost than a replacement variable speed motor in almost all cases, so the market will move to single speed pumps driven by cost-conscious pool owners.

Additional concerns were submitted earlier in the process and are available on request, but the above represent the most significant issues submitted prior to this current rulemaking event.

The above-mentioned cost justification analyses are now more relevant than ever. In the wake of the Coronavirus and COVID-19 global pandemic, supply and distribution lines are significantly disrupted, manufacturing is closed or operating at reduced capacity, and consumers are in lockdowns and unable to work or make purchases per normal. Regardless of their popularity in California, swimming pool items and other major purchases are among those things deferred while the battle against Coronavirus is waged and consumer economics and market forces wait to be understood and addressed. The social and economic impacts of the Coronavirus have yet to be determined and understood, and as such the analytical assumptions of the CEC for this topic cannot possibly be accurate.

While one may argue that economic forecasts are only ever educated estimates, and as such many rulemakings are concluded with these "best guesses", it is no longer appropriate to assume that this holds true in a post-pandemic market. These uncertainties make the CEC cost benefit analysis not only inaccurate but no longer representative of the future economic conditions of California.

It is our request that the CEC remove this proposal from the April 8<sup>th</sup> Commission Business Agenda until such time as the economic analysis can be re-evaluated in the wake of the national and State impacts of the Coronavirus/COVID-19 pandemic./