



The Honorable Joni Ernst
Senator from Iowa
260 Russell Senate Office Building
United States Senate
Washington, D.C. 20510

Dear Senator Ernst:

The Air Conditioning Contractors of America (ACCA), the Air-Conditioning, Heating, & Refrigeration Institute (AHRI), the Heating, Air-conditioning & Refrigeration Distributors International (HARDI), and the Plumbing-Heating-Cooling Contractors—National Association (PHCC) are writing to express our strong support for your introduction of the SMART Energy Efficiency Standards Act, S. 4892. This important legislation would amend the Energy Independence and Security Act of 2007 by changing the compliance date for regional energy efficiency standards for furnaces, central air conditioners, and heat pumps to the date of manufacture, thereby reducing confusion and easing the burden on manufacturers, distributors, and contractors.

Under current law, compliance with regional energy efficiency standards for furnaces, central air conditioners, and heat pumps is based on the date equipment is installed rather than the date it is manufactured. This creates unnecessary complexity throughout the HVAC supply chain by effectively causing otherwise fully compliant equipment to expire after it has been legally manufactured, purchased, and distributed. Contractors and distributors must determine whether equipment can still be installed based on when the project is completed, rather than on whether the product complied with Department of Energy requirements when it entered commerce. This approach creates stranded inventory, increases costs, complicates project scheduling, and introduces unnecessary uncertainty for businesses and consumers alike.

A compliance date based on the date of manufacture allows a manufacturer to ensure that a product is designed, produced, labeled, and reported in accordance with the law when it leaves the factory headed for the distributor. This approach places compliance responsibility where it belongs—with the manufacturer—and ensures that every product entering the distribution chain complies with applicable Department of Energy requirements.

A date-of-manufacture compliance process also allows products already in the distribution pipeline to continue to be sold and installed, preventing legally manufactured and purchased equipment from becoming stranded inventory. This provides certainty for distributors and contractors, avoids unnecessary waste, and allows the market to transition smoothly as inventories are naturally replenished with products meeting the new efficiency standards.

America's HVAC manufacturers, distributors, and contractors, who make, distribute, and install some of the most innovative and energy-efficient products in the world, appreciate your leadership in introducing this much-needed legislation. The SMART Energy Efficiency Standards Act will provide business certainty throughout the HVAC supply chain, reduce unnecessary costs and complexity, and ensure a more orderly transition to future energy efficiency standards.

Thank you for your leadership on this important issue. We look forward to working with you to advance this legislation.

Sincerely,

Air Conditioning Contractors of America
Air-Conditioning, Heating, & Refrigeration Institute
Heating, Air-conditioning & Refrigeration Distributors International
Plumbing-Heating-Cooling Contractors—National Association