HARDI

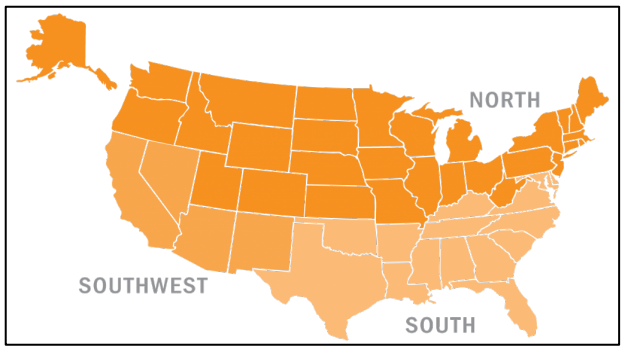
HEATING AIR-CONDITIONING REFRIGERATION DISTRIBUTORS INTERNATIONAL

Regional Standards Compliance Date Issue Brief

The Department of Energy (DOE) minimum efficiency requirements for new residential air conditioners went into effect on January 1, 2023, and required different efficiency standards by region. While the HVACR industry fully embraces the use of efficiency standards, the compliance date method used by Regional Standards adds an unnecessary layer of complexity to this particular efficiency standard.

Background

The Energy Independence and Security Act of 2007 (EISA) gave DOE the optional authority to create Regional Standards to better target efficiency increases with the needs of consumers. These standards require warmer parts of the country to use higher efficiency residential air conditioning systems than colder climates where lower demand makes the increased costs of higher efficiency equipment impracticable. EISA allows DOE to split the country into three regions for AC standards: The base nationwide standard referred to as the North region (31 states) in addition to increased efficiency requirements in the South (15 states) and Southwest (4 states) regions. In the 2023 update, the North has a base standard of 13.4 SEER2, and the South and Southwest regions require 14.3 SEER2.



North, South, and Southwest Regions

When drafting EISA to authorize DOE to establish Regional Standards, Congress inadvertently created a unique problem that is not found in any other DOE energy efficiency and water conservation standards. Of DOE's 59 finalized standards, only Regional Standards for residential air conditioning in the South and Southwest use the date of installation instead of the date of manufacture as the compliance deadline (See DOE Standards Compliance Date list). This requirement is codified in Section 306(E)(ii) of EISA, presenting a clear need for amendment.

Installation Date vs. Manufacture Date

Installation date compliance requirements, used only in the South and Southwest regions, create unnecessary confusion and burden on distributors and contractors who will be left with stranded product if it is not installed by January 1, 2023. To make the compliance date even more confusing, EISA mandates that the base national standard used in the North region be based on the date of manufacture. This inequality forces distributors to ship expired products to the North region, where they can still be legally installed and, in many cases, effectively eliminate the energy savings created by the efficiency standard.

A compliance date based on the date of manufacture offers significant benefits. It allows a manufacturer to ensure that a product is designed, produced, labeled, and reported in accordance with the law when it leaves the factory. This method holds the manufacturer accountable, ensuring that all products distributed into the supply chain on any given date meet all DOE requirements. This process guarantees that all products in the distribution chain are still available for sale and installation, thereby ensuring compliance with increased efficiency standards.

Request

HARDI is asking Congress to cosponsor and pass the SMART Energy Efficiency Standards Act, a narrowly crafted amendment to align the compliance date from the date of installation to the date of manufacture. This simple strike-and-replace change will reduce confusion and ease the burden on manufacturers and distributors while ensuring compliance with increased efficiency standards.

445 Hutchinson Avenue, Suite 550, Columbus, OH 43235

614.345.4328 HARDInet.org /in/HARDI @HARDInews HARDIhvacr