

April 15, 2019

Mr. Hampton Newsome
Federal Trade Commission
Office of the Secretary
600 Pennsylvania Avenue NW.
Suite CC-5610 (Annex B)
Washington, DC 20580

Re: Energy Labeling Reorganization, Matter No. R611004, *Docket FTC-2019-0015*

Dear Mr. Newsome:

These comments are submitted by the Air-Conditioning, Heating, and Refrigeration Institute (AHRI) in response to the Federal Trade Commission (FTC) notice of proposed rulemaking (NOPR) regarding amendments to the Energy Labeling rule appearing in the *Federal Register* on March 14, 2019.

AHRI represents over 315 air-conditioning, heating, and refrigeration equipment manufacturers. AHRI member companies manufacturer the large majority, at least 90%, of all boilers, central air conditioners and heat pumps, furnaces, pool heaters, and water heaters that are sold and installed in the U.S.

While AHRI is in support of FTC's efforts to reorganize and clarify the Energy Labeling Rule, 16 CFR part 305, we also agree with Commissioner Christine S. Wilson's dissenting statement and request that the FTC review the Rule's requirements with charge of reducing regulatory burden.

Physical Labeling of Central Air Conditioners, Heat Pumps, and Furnaces is Unnecessary

For central air conditioners, heat pumps, and furnaces, labels on the equipment do not serve to educate consumers on decisions prior to purchase and impose unnecessary costs to manufacturers. We believe that physical labeling for the aforementioned products are unnecessary as the large majority of products are not purchased off-the-shelf at retail stores. For new home purchases, a builder is typically the decision maker for equipment. A label on the equipment that the homeowner may or may not see after the unit is installed will not affect or alter the purchase decision. The equipment owner will not pull out a newly installed unit because he or she discovered through a label on the unit that a more efficient unit could have been purchased.

Replacement products are largely sold around the kitchen table, by contractors with ready access to information from the manufacturer's literature, the AHRI Directory of Certified

Product Performance, energy code requirements, incentive programs, and specific design features. In the case of installations in existing homes, HVACR products that are not replaced as part of major renovations are often replaced in emergency situations. When an existing unit has failed, a new unit is needed as quickly as possible. In that situation the owner of the equipment usually accepts whatever is readily available from the installing contractor. In either case, it is certain that a label on the equipment has no influence on the model specified by the consumer, as the contractor does not bring actual products to the home or to the builder's office for these discussion. For those product displayed at a retail store, the EnergyGuide label should also be displayed, perhaps as a hang tag, but the actual product purchased is not the floor model and a physical label is not required for the unit that is ultimately shipped and installed. Model number and a printed label made available to the consumer should be sufficient to confirm the purchase decision.

AHRI requests that FTC revise the labeling rules to allow either the EnergyGuide label for central air conditioners, heat pumps, furnaces, and possibly other products, to be available on a publicly accessible website in a manner that allows catalog sellers to hyperlink to the label or download it for use in websites or paper catalogs or, in the case of retail stores, as tag attached to the outside of the product. AHRI also supports additional work to support reducing regulatory burden for the highly regulated HVACR and water heating industry.

Improvements for Furnace and Boiler Labeling

Another suggestion for possible improvement to the rule is relates to furnace and possibly boiler labeling. Section 305.20(f)(10)(i) states that, "A part or publication number identification may be included on this label, as desired by the manufacturer. If a manufacturer elects to use a part or publication number, it must appear in the lower right-hand corner of the label and be set in 6-point type or smaller." In some cases, larger font, up to 12-point, would be beneficial. For example, in typical factory lighting, 6-point type is difficult to read. Larger text should not distract from required information. Even 10-point font as the optional largest size would be an improvement in low-light conditions.

If you have any questions regarding this submission, please do not hesitate to contact me.

Sincerely,



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