# **Proposed Rules**

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This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

#### **DEPARTMENT OF ENERGY**

10 CFR Part 430 [EERE-2014-BT-STD-0031] RIN 1904-AD20

Energy Conservation Program: Energy Conservation Standards for Consumer Furnaces

**AGENCY:** Office of Energy Efficiency and Renewable Energy, Department of Energy.

**ACTION:** Notification of data availability (NODA), public meeting, and extension of the comment period.

SUMMARY: On July 7, 2022, the U.S. Department of Energy ("DOE" or "the Department'') published in the **Federal** Register a notice of proposed rulemaking ("NOPR") for amending the energy conservation standards for certain consumer furnaces, specifically non-weatherized gas furnaces ("NWGF") and mobile home gas furnaces ("MHGF"). In response to requests by several interested parties, the U.S. Department of Energy ("DOE") is making available a revised version of the life-cycle-cost ("LCC") spreadsheet supporting that NOPR and also announcing a public meeting webinar to assist stakeholders with operation of the LCC spreasheet. In addition, DOE received four requests to extend the public comment period for the NOPR (originally set to close September 6, 2022), and after considering those requests, the Department has decided to extend the public comment period until October 6, 2022.

#### DATES

Comments: The comment period for the NOPR published in the **Federal Register** on July 7, 2022 (87 FR 40590) is extended until October 6, 2022. Written comments, data, and information are requested and will be accepted on and before October 6, 2022. See section II, "Public Participation," of this document for details.

*Meeting:* DOE will hold a webinar on Tuesday, September 6, 2022, from 1:00

p.m. to 3:00 p.m. on the life-cycle cost model for the consumer furnaces rulemaking. See section II, "Public Participation," for webinar registration information, participant instructions, and information about the capabilities available to webinar participants.

ADDRESSES: Interested persons are encouraged to submit comments using the Federal eRulemaking Portal at www.regulations.gov. Follow the instructions for submitting comments. Alternatively, interested persons may submit comments, identified by docket number EERE–2014–BT–STD–0031 and/or regulatory information number ("RIN") 1904–AD20, by any of the following methods:

- (1) Federal eRulemaking Portal: www.regulations.gov. Follow the instructions for submitting comments.
- (2) Email:
  ResFurnaces2014STD0031@ee.doe.gov.
  Include the docket number EERE-2014BT-STD-0031 in the subject line of the message.
- (3) Postal Mail: Appliance and Equipment Standards Program, U.S. Department of Energy, Building Technologies Office, Mailstop EE–5B, 1000 Independence Avenue SW, Washington, DC 20585–0121. Telephone: (202) 287–1445. If possible, please submit all items on a compact disc ("CD"), in which case it is not necessary to include printed copies.
- (4) Hand Delivery/Courier: Appliance and Equipment Standards Program, U.S. Department of Energy, Building Technologies Office, 950 L'Enfant Plaza SW, 6th Floor, Washington, DC 20024. Telephone: (202) 287–1445. If possible, please submit all items on a CD, in which case it is not necessary to include printed copies.

No telefacsimilies ("faxes") will be accepted. For detailed instructions on submitting comments and additional information on the rulemaking process, see section II of this document (Public Participation).

Docket: The docket for this activity, which includes Federal Register notices, comments, and other supporting documents/materials, is available for review at www.regulations.gov. All documents in the docket are listed in the www.regulations.gov index. However, not all documents listed in the index may be publicly available, such as

information that is exempt from public disclosure.

The docket web page can be found at www.regulations.gov/docket?D=EERE-2014-BT-STD-0031. The docket web page contains instructions on how to access all documents, including public comments, in the docket. See section II (Public Participation) for information on how to submit comments through www.regulations.gov.

# FOR FURTHER INFORMATION CONTACT:

Ms. Julia Hegarty, U.S. Department of Energy, Office of Energy Efficiency and Renewable Energy, Building Technologies Office, EE–5B, 1000 Independence Avenue SW, Washington, DC 20585–0121. Telephone: (240) 597–6737. Email:

ApplianceStandardsQuestions@ ee.doe.gov.

Mr. Eric Stas, U.S. Department of Energy, Office of the General Counsel, GC–33, 1000 Independence Avenue SW, Washington, DC 20585–0121. Telephone: (202) 586–5827. Email: *Eric.Stas@hq.doe.gov.* 

For further information on how to submit a comment, review other public comments and the docket, or participate in the public meeting webinar, contact the Appliance and Equipment Standards Program staff at (202) 287–1445 or by email: ApplianceStandardsQuestions@ee.doe.gov.

### SUPPLEMENTARY INFORMATION:

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# I. Background and Summary

On July 7, 2022, the U.S. Department of Energy ("DOE") published in the **Federal Register** a notice of proposed rulemaking ("NOPR") for amending the energy conservation standards for certain consumer furnaces, specifically non-weatherized gas furnaces ("NWGF") and mobile home gas furnaces ("MHGF") ("July 2022 NOPR"). 87 FR 40590. As part of that rulemaking proceeding, DOE also made available a life-cycle-cost ("LCC") and payback period ("PBP") analysis

spreadsheet,<sup>1</sup> and a Technical Support Document ("TSD")<sup>2</sup> in the rulemaking docket. The TSD describes the various analyses, including the LCC analysis, performed in support of the NOPR.

The computer model DOE uses to calculate the LCC and PBP relies on Monte Carlo simulations to incorporate uncertainty and variability into the analysis. The Monte Carlo simulations randomly sample input values from probability distributions and NGWF and MHGF user samples. For this rulemaking, the Monte Carlo approach is implemented in MS Excel together with the Crystal Ball<sup>TM</sup> add-on.<sup>3</sup> The model calculated the LCC and PBP for products at each efficiency level for 10,000 furnace installations per simulation run. The analytical results include a distribution of 10,000 data points showing the range of LCC savings for a given efficiency level relative to the no-new-standards case efficiency distribution.

In the version of the LCC spreadsheet that DOE published in July accompanying the NOPR, the specific sequence of random numbers utilized by the Monte Carlo simulation was inadvertently changed from the version of the analysis presented in the NOPR and the TSD. As a result, the published LCC spreadsheet produces similar results to the NOPR and TSD that support the same policy outcome, but the currently published version of the LCC spreadsheet will not provide exactly the same results as the NOPR or technical support document tables. This is expected behavior for a Monte Carlo simulation relying on random number generation if the sequence of random numbers is allowed to change. The relative comparison of the various proposed energy conservation standard levels in the published LCC spreadsheet remains similar to the comparison presented in the NOPR. DOE notes that the conclusions of the analysis, the policy decision, and associated rationale are not impacted by this sampling variability.

In this notice of data availability ("NODA"), DOE is announcing that the Department is making available in the docket of the rulemaking and on the

furnace rulemaking website page to interested persons a revised version of the LCC spreadsheet in which the random number generation is fixed in place, thereby producing the same results as presented in the NOPR and TSD.

Additionally, DOE held a public meeting webinar on August 3, 2022 to discuss the analyses and proposals presented in the July 2022 NOPR, at which several interested parties requested that DOE hold a separate meeting to further explain the LCC spreadsheet. In addition, on August 11, 2022, the American Gas Association ("AGA"), American Public Gas Association ("APGA"), National Propane Gas Association ("NPGA"), Spire Inc, Spire Missouri Inc, Spire Alabama Inc., and Atmos Energy Corporation ("Atmos Energy") (collectively, "Joint Requesters") submitted a joint comment reiterating their request from the August 3, 2022 webinar that DOE hold a separate workshop on its LCC model. (Joint Requesters, No. 345 at p. 1)<sup>4</sup> DOE notes that the NWGF and MHGF LCC spreadsheet has additional complexities beyond those typically found in LCC spreadsheets, such as those related to fuel switching, extended repair vs. replacement, potential downsizing of furnace capacity, and many installation cost factors. Given the increased complexity of the LCC spreadsheet for NWGF and MHGF, and after considering the comments and requests from interested parties, DOE has determined that an additional webinar focused on the LCC spreadsheet is appropriate. Accordingly, DOE will hold a public meeting webinar on Tuesday, September 6, 2022, to provide instruction on the operation of the LCC spreadsheet to interested persons.

Lastly, the in the July 2022 NOPR, DOE stated it would accept written comments, data, and information on the proposal until September 6, 2022. 87 FR 40590, 40590 (July 7, 2022). DOE received four requests for an extension of the NOPR public comment period. On July 25, 2022, DOE received a joint request from the Joint Requesters 5 to extend the public comment period by 60 days. (Joint Requesters, No. 330 at p. 1)

On August 3, 2022, DOE received a request from the Natural Gas Supply Association (NGSA), supporting the Joint Requestors' submission requesting a 60-day extension of the comment period. (NGSA, No. 343 at p. 1) On August 9, 2022, DOE received a submission from the Manufactured Housing Institute ("MHI") supporting the Joint Requestors' submission and requesting an extension of the comment period. (MHI, No. 344 at p. 1)

On August 11, 2022, DOE received a second submission from the Joint Requestors, which, as discussed previously, requested that DOE hold a workshop on the LCC model. The Joint Requestors also urged that the comment period be extended by 45 days after the receipt of the results of the workshop. (Joint Requesters, No. 345 at p. 1)

DOE has reviewed these requests. Based on these requests, this NODA, and the newly scheduled webinar, DOE is extending the comment period to allow additional time for interested parties to review the revised LCC spreadsheet, participate in the webinar, and provide comments on the NOPR and associated docketed materials. DOE believes that allowing 30 days after the workshop is sufficient and is responsive to the requestors. Therefore, DOE is extending the NOPR comment period until October 6, 2022.

# **II. Public Participation**

### A. Attendance at the Public Meeting

The time and date of the webinar meeting are listed in the DATES section at the beginning of this document. Webinar registration information, participant instructions, and information about the capabilities available to webinar participants will be published on DOE's website: www1.eere.energy.gov/buildings/appliance\_standards/standards.aspx?productid=59&action=viewlive. Participants are responsible for ensuring their systems are compatible with the webinar software.

# B. Conduct of the Public Meeting

DOE will designate a DOE official to preside at the webinar/public meeting and may also use a professional facilitator to aid discussion. The meeting will not be a judicial or evidentiary-type public hearing, but DOE will conduct it in accordance with section 336 of EPCA. (42 U.S.C. 6306) A court reporter will be present to record the proceedings and prepare a transcript. DOE reserves the right to schedule the order of presentations and to establish the procedures governing

<sup>&</sup>lt;sup>1</sup> Available at: www.regulations.gov/document/ EERE-2014-BT-STD-0031-0324 (Last accessed August 12, 2022).

Available at: www.regulations.gov/document/ EERE-2014-BT-STD-0031-0320 (Last accessed August 12, 2022).

<sup>&</sup>lt;sup>3</sup> Crystal Ball™ is a commercially-available software tool to facilitate the creation of these types of models by generating probability distributions and summarizing results within Excel (Available at: www.oracle.com/technetwork/middleware/crystalball/overview/index.html) (Last accessed August 12, 2022).

<sup>&</sup>lt;sup>4</sup>This parenthetical reference provides a reference for information located in the docket of DOE's rulemaking to develop energy conservation standards for NWGF and MHGF. (Docket No. EERE–2014–BT–STD–0031, which is maintained at www.regulations.gov). The references are arranged as follows: (commenter name, comment docket ID number, page of that document).

<sup>&</sup>lt;sup>5</sup> In this submission, the Joint Requestors consisted of AGA, APGA, NPGA, Spire Inc, Spire Missouri Inc, and Spire Alabama Inc, but did not include Atmos Energy.

the conduct of the webinar/public meeting. There shall not be discussion of proprietary information, costs or prices, market share, or other commercial matters regulated by U.S. anti-trust laws. After the webinar/public meeting and until the end of the comment period, interested parties may submit further comments on the proceedings and on any aspect of the rulemaking.

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The public meeting webinar will be conducted in an informal, conference style. DOE will present an overview on the operation of the analytical tools. DOE encourages all interested parties to ask clarifying questions. The official conducting the public meeting webinar will accept additional comments or questions from those attending, as time permits. The presiding official will announce any further procedural rules or modification of the above procedures that may be needed for the proper conduct of the public meeting webinar.

A transcript of the public meeting webinar will be included in the docket, which can be viewed as described in the Docket section at the beginning of this NODA. In addition, any person may buy a copy of the transcript from the transcribing reporter.

# C. Submission of Comments

DOE will accept comments, data, and information regarding this proposed rule before or after the public meeting webinar, but no later than the date provided in the **DATES** section at the beginning of this document. Interested parties may submit comments, data, and other information using any of the methods described in the **ADDRESSES** section at the beginning of this document.

Submitting comments via www.regulations.gov. The www.regulations.gov web page will require you to provide your name and contact information. Your contact information will be viewable to DOE Building Technologies staff only. Your contact information will not be publicly viewable except for your first and last names, organization name (if any), and submitter representative name (if any). If your comment is not processed properly because of technical difficulties, DOE will use this information to contact you. If DOE cannot read your comment due to technical difficulties and cannot contact you for clarification, DOE may not be able to consider your comment.

However, your contact information will be publicly viewable if you include it in the comment itself or in any documents attached to your comment. Any information that you do not want

to be publicly viewable should not be included in your comment, nor in any document attached to your comment. If this instruction is followed, persons viewing comments will see only first and last names, organization names, correspondence containing comments, and any documents submitted with the comments.

Do not submit to www.regulations.gov information for which disclosure is restricted by statute, such as trade secrets and commercial or financial information (hereinafter referred to as Confidential Business Information ("CBI")). Comments submitted through www.regulations.gov cannot be claimed as CBI. Comments received through the website will waive any CBI claims for the information submitted. For information on submitting CBI, see the Confidential Business Information section.

DOE processes submissions made through www.regulations.gov before posting. Normally, comments will be posted within a few days of being submitted. However, if large volumes of comments are being processed simultaneously, your comment may not be viewable for up to several weeks. Please keep the comment tracking number that www.regulations.gov provides after you have successfully uploaded your comment.

Submitting comments via email.
Comments and documents submitted via email also will be posted to www.regulations.gov. If you do not want your personal contact information to be publicly viewable, do not include it in your comment or any accompanying documents. Instead, provide your contact information in a cover letter. Include your first and last names, email address, telephone number, and optional mailing address. The cover letter will not be publicly viewable as long as it does not include any comments.

Include contact information each time you submit comments, data, documents, and other information to DOE. No telefacsimiles ("faxes") will be accepted.

Comments, data, and other information submitted to DOE electronically should be provided in PDF (preferred), Microsoft Word or Excel, WordPerfect, or text (ASCII) file format. Provide documents that are not secured, that are written in English, and that are free of any defects or viruses. Documents should not contain special characters or any form of encryption and, if possible, they should carry the electronic signature of the author.

Campaign form letters. Please submit campaign form letters by the originating

organization in batches of between 50 to 500 form letters per PDF or as one form letter with a list of supporters' names compiled into one or more PDFs. This reduces comment processing and posting time.

Confidential Business Information. Pursuant to 10 CFR 1004.11, any person submitting information that he or she believes to be confidential and exempt by law from public disclosure should submit via email two well-marked copies: one copy of the document marked "confidential" including all the information believed to be confidential, and one copy of the document marked "non-confidential" with the information believed to be confidential deleted. DOE will make its own determination about the confidential status of the information and treat it according to its determination.

It is DOE's policy that all comments may be included in the public docket, without change and as received, including any personal information provided in the comments (except information deemed to be exempt from public disclosure).

# III. Approval of the Office of the Secretary

The Secretary of Energy has approved publication of this notification of data availability, public meeting, and extension of the comment period.

#### **Signing Authority**

This document of the Department of Energy was signed on August 24, 2022, by Dr. Geraldine L. Richmond, Undersecretary for Science and Innovation, pursuant to delegated authority from the Secretary of Energy. That document with the original signature and date is maintained by DOE. For administrative purposes only, and in compliance with requirements of the Office of the Federal Register, the undersigned DOE Federal Register Liaison Officer has been authorized to sign and submit the document in electronic format for publication, as an official document of the Department of Energy. This administrative process in no way alters the legal effect of this document upon publication in the Federal Register.

Signed in Washington, DC, on August 24, 2022.

# Treena V. Garrett,

Federal Register Liaison Officer, U.S. Department of Energy.

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