From: Amanda Gonzalez
To: Hunt, Marshall
Cc: Bijit Kundu; Eilert, Patrick L
Subject: RE: Memo to Policy Committee re DOE furnace rule litigation FINAL 12-20-13.docx
Date: Thursday, January 02, 2014 12:51:33 PM

Hi All,
This lawsuit between APGA and DOE regarding furnaces should not affect the final rule on CAC/HP.

I spoke with Bijit as well as Meg at NRDC, but want to follow-up with one additional person at NRDC to confirm our points below.

1. Everything we've read on the lawsuit has strictly focused on gas furnaces. The settlement agreement between APGA and DOE only vacates the portion that applies to "non-weatherized gas furnaces". However, Meg did say that either HARDY or ACCA filed a petition to bring CAC/HP into the case; BUT, this was filed after the 90 day period to submit petitions, so we do not think it is valid by law (will confirm this with NRDC lawyer).
2. Meg, Bijit, and I believe that this lawsuit was filed strictly on the grounds of the standard not being economically justified (as opposed to questioning DOE's authority to set regional standards), based on an issue brief we read. As such, we don't think that this lawsuit could set precedent affecting other regional standards.

Let me know if you have additional questions. I will be reaching out to NRDC's lawyer on the case to confirm everything here.

I hope this helps,
Amanda

Amanda Gonzalez
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From: Hunt, Marshall [mailto:MBH9@pge.com]
Sent: Thursday, January 02, 2014 11:46 AM
To: Amanda Gonzalez
Cc: Bijit Kundu; Eilert, Patrick L
Subject: RE: Memo to Policy Committee re DOE furnace rule litigation FINAL 12-20-13.docx

Do we know what is the linkage to the Regional AC standards which are a big impact for CA?

Marshall Hunt, PE
Customer Energy Solutions, HVAC & Motors
Pacific Gas and Electric Company
415-260-7624 - PG&E cell

From: Amanda Gonzalez [mailto:AGonzalez@energy-solution.com]
Sent: Thursday, January 02, 2014 11:44 AM
To: Hunt, Marshall
Cc: Bijit Kundu
Subject: RE: Memo to Policy Committee re DOE furnace rule litigation FINAL 12-20-13.docx

My contact info would help!

Amanda Gonzalez
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From: Amanda Gonzalez
Sent: Thursday, January 02, 2014 11:43 AM
To: 'Hunt, Marshall'
Cc: Bijit Kundu
Subject: RE: Memo to Policy Committee re DOE furnace rule litigation FINAL 12-20-13.docx

Hi Marshall,
Just saw the email you sent out as I was writing this one…

I'm available to talk when you are. I spoke with Bijit on the matter since he was more closely involved in the rulemaking than I.

In short, it the past we've remained neutral on whether or not regional standards were a good thing for furnaces. It appears to have a pretty minimal affect in CA since the standard would go from 78% to 80% as you suggested.

Brief Timeline on *Non-weatherized* Furnace Standards

- October 2009: AHRI and advocates finalize consensus agreement on regional standards for non-weatherized furnaces. Standard is proposed to go from 78% AFUE Nationwide to 80% AFUE in South and Southwest regions and 90% AFUE in North
- October 2011: DOE Final Rule codifies the standards proposed by the consensus agreement – with an effective day of May 2013
- January 2013: DOE proposes to settle a lawsuit brought by the American Public Gas Ass'n (APGA) by vacating the new standards in favor of another round of rulemakings. This settlement agreement was sent to the courts for approval.
- April 2013: DOE sends out a notice saying until the settlement is implemented by the courts, it will **not** enforce the new standard that is scheduled to take effect May 1, 2013.

Also to note, that regardless of how the court decides, the matter will come back to DOE for further rulemaking proceedings.

Still want to talk?
Amanda

From: Hunt, Marshall [mailto:MBH9@pge.com]
Sent: Thursday, January 02, 2014 11:17 AM
To: Eilert, Patrick L; Amanda Gonzalez
Cc: DeLaura, Lance; Pratt, Phil; Elliott, Ed
Subject: RE: Memo to Policy Committee re DOE furnace rule litigation FINAL 12-20-13.docx

It is 78% now although it was supposed to go to 80% with the new Regional Stds.
Confusing

Marshall Hunt, PE
Customer Energy Solutions, HVAC & Motors
Pacific Gas and Electric Company
415-260-7624 - PG&E cell

From: Eilert, Patrick L
Sent: Thursday, January 02, 2014 10:09 AM
To: Hunt, Marshall; Amanda Gonzalez (AGonzalez@energy-solution.com)
Cc: DeLaura, Lance; Pratt, Phil; Elliott, Ed
Subject: FW: Memo to Policy Committee re DOE furnace rule litigation FINAL 12-20-13.docx

Marshall/Amanda:
Need a quick reaction to this…by noon if possible. I recall that our position on the furnace fans part of regional standards was neutral since it did not have much of an impact on CA. Current thoughts regarding what our position should be?
Also, can you verify the current standard? 80%?

Thanks.
Pat

From: DeLaura, Lance [mailto:LDelaura@semprautilities.com]
Sent: Thursday, January 02, 2014 9:44 AM
To: Eilert, Patrick L
Subject: Memo to Policy Committee re DOE furnace rule litigation FINAL 12-20-13.docx

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