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U.S. Department of Energy  
VIA: [www.regulations.gov](http://www.regulations.gov)

**RE: Docket Number EERE-2017-BT-STD-0003: Notice of Proposed Rulemaking for Energy Conservation Standards for Refrigerators, Refrigerator-Freezers, and Freezers**

To the Department of Energy:

These comments are submitted in response to the Department's proposed standards for Refrigerators, Refrigerator-Freezers, and Freezers, as appearing in 88 Federal Register 12452 (Feb. 27, 2023). They are jointly supported by a broad range of consumer, environmental and low-income advocacy organizations: (1) National Consumer Law Center, on behalf of its low-income clients; (2) Texas Utility Law Project; (3) Association for Energy Affordability; (4) Public Citizen; (5) The Utility Reform Network; (6) Virginia Citizens Consumer Council; (7) Preserve Montgomery County VA; (8) Friends of Buckingham (FOB); (9) Pennsylvania Utility Law Project, on behalf of its low-income clients; (10) National Community Action Foundation; and (11) Americans for Financial Reform Education Fund.

**I. Summary of the commenting parties**

The National Consumer Law Center is a non-profit organization that advocates on behalf of low-income households on a range of economic and consumer issues. For the past two decades, NCLC has been deeply engaged with proceedings like this one in which efficiency standards are set, because they have delivered billions of dollars of savings on energy bills for consumers.<sup>1</sup>

The Texas Utility Law Project advocates on behalf of low-income households regarding their interest in affordable energy and access to energy efficiency.

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<sup>1</sup> DOE, Appliance Equipment and Standards Program ("As a result of these [appliance efficiency] standards, American consumers saved \$63 billion on their utility bills in 2015 alone. By 2030, cumulative operating cost savings from all standards in effect since 1987 will reach nearly \$2 trillion."), *available at*: <https://www.energy.gov/eere/buildings/appliance-and-equipment-standards-program>.

The Association for Energy Affordability, Inc. is dedicated to achieving energy efficiency in new and existing buildings in order to foster and maintain affordable and healthy housing and communities, especially those of low-income.

Public Citizen is a not-for-profit, non-partisan organization advocating for clean, affordable energy on behalf of our more than 500,000 members and supporters across the United States.

The Utility Reform Network, commonly known as TURN, champions the cleanest energy and highest quality phone service at the lowest prices possible for residential customers, low-income households, and small businesses through legal advocacy at the California Public Utilities Commission, state and federal policy development, and community organizing throughout California.

Virginia Citizens Consumer Council is a non-profit, volunteer organization which speaks up with Virginia consumers on pocketbook issues.

Preserve Montgomery County VA and Friends of Birmingham are environmental groups based in Virginia.

The Pennsylvania Utility Law Project provides information, assistance, and advice about residential utility and energy matters affecting low-income consumers.

The National Community Action Foundation is a leading voice on federal anti-poverty policy and serves as the federal advocate for the nationwide Community Action network, comprised of locally-based, anti-poverty organizations known as Community Action Agencies and their state and federal partners.

Americans for Financial Reform Education Fund (AFREF) is a nonpartisan, nonprofit coalition of more than 200 civil rights, community-based, consumer, labor, small business, investor, faith-based, civic groups, and individual experts. AFREF fights for a fair and just financial system that contributes to shared prosperity for all families and communities.

## **II. This broad range of groups strongly supports DOE's proposed standards**

The groups listed above pay particular attention to standards for larger appliances such as refrigerators, clothes washers, furnaces and others because of the so-called "split incentive problem": in the absence of the economically-justified standards that DOE is required to set, owners of rental properties, especially lower-rent properties, will tend to buy the least-expensive, often least-efficient appliances, saddling tenants with the higher utility bills for the life of the appliance.

These groups offer their strong support for DOE's proposed refrigerator standards. As explained more fully below, we think DOE's analytic approach may understate the benefits to

low-income households, which underscores the importance of DOE moving ahead with the standards as proposed.

The proposed standards will reduce electricity bills for millions of households. Low-income households will disproportionately benefit, as DOE's analysis shows. These households are disproportionately renters, which means they often will not bear the initial purchase cost of the appliances but will still reap the energy saving benefits. DOE's analysis projects that over 90% of low-income consumers with top-mounted refrigerator-freezers will see a net benefit under the proposed rule, versus only 9.5% seeing net costs.<sup>2</sup> There is an important equity issue for low-income households: in the absence of this standard, a very large percent of low-income households would involuntarily experience net costs relative to the proposal since their property owners would likely purchase less efficient units that would still be on the market.

The individual and aggregate energy savings are significant. For the most common configuration (especially among low-income households), a top-mounted freezer, the energy savings over baseline will be approximately 15 percent. DOE projects the aggregate savings over time from the proposed rule to be \$20 billion.<sup>3</sup>

Moreover, there are climate benefits that are quite important yet which are not figured into DOE's analysis of payback periods or the ratio of those experiencing net benefits versus net costs. Climate change is real, as stronger hurricanes, more frequent and extensive forest fires and tornados, and more powerful rainstorms well-demonstrate. Low-income households tend to suffer the most harm from these harmful climate events, and the least ability to recover.<sup>4</sup> They are less likely to have insurance or savings to address property losses; they are more likely to live in substandard housing that is likely to be more severely damaged; they often do not have adequate medical insurance if they suffer physical harm or the aggravation of underlying medical problems. While appliance standards alone will not solve our climate crisis, they have proven to be one of the most effective tools government has to reduce greenhouse gas emissions.

In conclusion, these commenters applaud DOE for proposing the refrigerator and freezer standards, which are not only fully supported by the law and by DOE's analysis, but which may in fact prove to be conservative.

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<sup>2</sup> Technical Support Document, Table 11.3.2, p. 11-5, *available for download at*: <https://www.regulations.gov/document/EERE-2017-BT-STD-0003-0045>.

<sup>3</sup> 88 Fed. Reg. 12455 ("The cumulative net present value ("NPV") of total consumer benefits of the proposed standards for refrigerators, refrigerator-freezers, and freezers ranges from \$6.6 billion (at a 7-percent discount rate) to \$20.4 billion (at a 3-percent discount rate)").

<sup>4</sup> See, for example, a September 21, 2021 EPA press release (available at: <https://www.epa.gov/newsreleases/epa-report-shows-disproportionate-impacts-climate-change-socially-vulnerable>) which noted: "A new EPA analysis released today shows that the most severe harms from climate change fall disproportionately upon underserved communities who are least able to prepare for, and recover from, heat waves, poor air quality, flooding, and other impacts. EPA's analysis indicates that racial and ethnic minority communities are particularly vulnerable to the greatest impacts of climate change."

Respectfully submitted on behalf of all commenters,

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