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June 21, 2022

The Honorable Joe Manchin Chairman Energy & Natural Resources Committee U.S. Senate Washington, D.C. 20510

The Honorable John Barrasso Ranking Member Energy & Natural Resources Committee U.S. Senate Washington, D.C. 20510 The Honorable Frank Pallone Chairman Energy & Commerce Committee U.S. House of Representatives Washington, D.C. 20515

The Honorable Cathy McMorris Rodgers Ranking Member Energy & Commerce Committee U.S. House of Representatives Washington, D.C. 20515

Dear Chairman Manchin, Chairman Pallone, Ranking Member Barrasso, and Ranking Member McMorris Rodgers:

We, the undersigned Officers and Directors of the Air-Conditioning, Heating, and Refrigeration Institute are writing to support legislation (H.R. 7962/S. 4061) to amend the Energy Policy and Conservation Act (EPCA) to clarify the definitions of residential and commercial water heaters.

The water heater definition legislation corrects an error in a final test procedure rule issued in November 2016 by the U.S. Department of Energy (DOE) for commercial water heaters that required manufacturers to rate certain commercial water heaters using residential water heater efficiency standards. This created turmoil within the industry and resulted in property and small business owners spending resources to find alternative solutions because the commercial water heating equipment that fit their needs was no longer available. In response to industry and business consumer concerns, DOE granted a temporary reprieve through a "non-enforcement" policy, which expired at the end of 2021.

To permanently correct this error, a technical amendment to the statutory definitions of water heaters in EPCA is necessary. This technical amendment is narrowly tailored to clarify by statute the definitions of residential and commercial water heaters in EPCA.

Leading manufacturers of air conditioning, heating, commercial refrigeration, and water heating equipment, who make the most innovative, energy efficient products available in the world today, are grateful to Senators Stabenow and Blackburn, and Representatives Dingell and Walberg for introducing this much-needed technical amendment that will realign the legal definitions of commercial and residential water heating equipment enable more appropriate product choices for small businesses and provide business certainty for water heater manufacturers. We stand ready to aid the Senate Energy and Natural Resources Committee and

the House Energy and Commerce Committee leadership in whatever manner you deem most beneficial to help ensure water heater definition legislation is enacted at the earliest possible opportunity.

Sincerely,

Stephen R. Yurek President and CEO

Air-Conditioning, Heating, and

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Kein A. Selving

Refrigeration Institute

Kevin J. Wheeler President & CEO

A.O. Smith

Kevin Beckett President & CEO

R.W. Beckett Corp.

R. Bruce Carnevale President & CEO

Bradford White Corporation

Christopher Drew President and COO

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Group President – Heating & Air

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Hang S. Bedard

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Gary S. Bedard

EVP, President/COO Refrigeration

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Lennox International

Ron Duncan

President

Magic Aire

Megan Fellinger

President & CEO

Morrison Products

Chris Peel

President & CEO

Rheem Manufacturing Co.

John Swann President

SPX Corporation