



U.S. CHAMBER OF COMMERCE



American Fuel & Petrochemical Manufacturers



November 22, 2016

**VIA ELECTRONIC FILING AND ELECTRONIC MAIL**

Mr. John Cymbalsky  
U.S. Department of Energy  
Building Technologies Office, Mailstop EE-5B  
1000 Independence Avenue SW  
Washington, DC 20585-0121  
(ResFurnaces2014STD0031@ee.doe.gov)

**RE: Docket No. EERE-2014-BT-STD-0031: Energy Conservation Program:  
Energy Conservation Standards for Residential Furnaces; Federal Register  
Vol. 81, No. 185 (Friday, September 23, 2016); RIN 1904-AD20**

Dear Ms. Edwards:

The U.S. Chamber of Commerce, the American Chemistry Council, the American Coke and Coal Chemicals Institute, the American Forest & Paper Association, the American Fuel & Petrochemical Manufacturers, the American Petroleum Institute, the Brick Industry Association, the Council of Industrial Boiler Owners, the National Association of Home Builders, the National Association of Manufacturers, the National Lime Association, the National Mining Association, the National Oilseed Processors Association, and the Portland Cement Association (collectively, “the Associations”) submit these comments responding to the Department of Energy’s (“DOE”) Notice of Proposed Rulemaking and Public Meeting for Energy Conservation Standards for Residential Furnaces.<sup>1</sup>

The **U.S. Chamber of Commerce** (“the Chamber”) is the world’s largest business federation representing the interests of more than 3 million businesses of all sizes, sectors, and regions, as well as state and local chambers and industry associations. The Chamber is dedicated to promoting, protecting, and defending America’s free enterprise system.

The **American Chemistry Council** (“ACC”) represents the leading companies engaged in the business of chemistry. ACC members apply the science of chemistry to make innovative products and services that make people's lives better, healthier and safer. ACC is committed to improved environmental, health and safety performance through Responsible Care®, common sense advocacy designed to address major public policy issues, and health and environmental research and product testing. The business of chemistry is an \$801 billion enterprise and a key element of the nation's economy.

The **American Coke and Coal Chemicals Institute** (“ACCCI”), which was founded in 1944, is the international trade association that represents 100% of the U.S. producers of metallurgical coke used for iron and steelmaking, and 100% of the nation’s producers of coal chemicals, who combined have operations in 12 states. It also represents chemical processors, metallurgical coal producers, coal and coke sales agents, and suppliers of equipment, goods and services to the industry.

The **American Forest & Paper Association** (“AF&PA”) is the national trade association of the paper and wood products industry, which accounts for approximately 4 percent of the total U.S. manufacturing GDP. The industry makes products essential for everyday life from renewable and recyclable resources, producing about \$200 billion in products annually and employing approximately 900,000 men and women with an annual payroll of approximately \$50 billion.

The **American Fuel & Petrochemical Manufacturers** (“AFPM”) (formerly known as NPRA, the National Petrochemical & Refiners Association) is a national trade association whose members comprise more than 400 companies, including virtually all United States refiners and

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<sup>1</sup> 81 *Federal Register* 65720 (September 23, 2016) (“Proposed Rule”).

petrochemical manufacturers. AFPM's members supply consumers with a wide variety of products and services that are used daily in homes and businesses.

The **American Petroleum Institute** ("API") represents over 630 oil and natural gas companies, leaders of a technology-driven industry that supplies most of America's energy, supports more than 9.8 million jobs and 8 percent of the U.S. economy, and, since 2000, has invested nearly \$2 trillion in U.S. capital projects to advance all forms of energy, including alternatives.

The **Brick Industry Association** ("BIA"), founded in 1934, is the recognized national authority on clay brick manufacturing and construction, representing approximately 250 manufacturers, distributors, and suppliers that historically provide jobs for 200,000 Americans in 45 states.

The **Council of Industrial Boiler Owners** ("CIBO") is a trade association of industrial boiler owners, architect-engineers, related equipment manufacturers, and University affiliates representing 20 major industrial sectors. CIBO members have facilities in every region of the country and a representative distribution of almost every type of boiler and fuel combination currently in operation. CIBO was formed in 1978 to promote the exchange of information about issues affecting industrial boilers, including energy and environmental equipment, technology, operations, policies, laws and regulations.

The **National Association of Home Builders** ("NAHB") is a Washington-based trade association representing more than 140,000 members involved in home building, remodeling, multifamily construction, property management, subcontracting, design, housing finance, building product manufacturing and other aspects of residential and light commercial construction. NAHB is affiliated with 700 state and local home builders associations around the country. NAHB's builder members will construct about 80 percent of the new housing units projected for this year.

The **National Association of Manufacturers** ("NAM") is the largest manufacturing association in the United States, representing small and large manufacturers in every industrial sector and in all 50 states. Manufacturing employs more than 12 million men and women, contributes \$2.09 trillion to the U.S. economy annually, has the largest economic impact of any major sector and accounts for more than three-quarters of private-sector research and development. The NAM is the powerful voice of the manufacturing community and the leading advocate for a policy agenda that helps manufacturers compete in the global economy and create jobs across the United States.

The **National Lime Association** ("NLA") is the national trade association of the lime industry and is comprised of U.S. and Canadian commercial lime manufacturing companies, suppliers to lime companies, and foreign lime companies and trade associations. NLA's members produce more than 99% of all lime in the U.S., and 100% of the lime manufactured in Canada. NLA provides a forum to enhance and encourage the exchange of ideas and technical

information common to the industry and to promote the use of lime and the business interests of the lime industry. NLA is a non-profit organization.

The **National Mining Association** (“NMA”) is a national trade association whose members produce most of America’s coal, metals, and industrial and agricultural minerals. Its membership also includes manufacturers of mining and mineral processing machinery and supplies, transporters, financial and engineering firms, and other businesses involved in the nation’s mining industries. NMA works with Congress and federal and state regulatory officials to provide information and analyses on public policies of concern to its membership, and to promote policies and practices that foster the efficient and environmentally sound development and use of the country’s mineral resources.

The **National Oilseed Processors Association** (“NOPA”) is a national trade association that represents 12 companies engaged in the production of vegetable meals and vegetable oils from oilseeds, including soybeans. NOPA’s member companies process more than 1.8 billion bushels of oilseeds annually at 63 plants in 19 states, including 57 plants which process soybeans.

The **Portland Cement Association** (“PCA”), founded in 1916, is the premier policy, research, education, and market intelligence organization serving America’s cement manufacturers. PCA members represent 92 percent of U.S. cement production capacity and have facilities in all 50 states. The association promotes safety, sustainability, and innovation in all aspects of construction, fosters continuous improvement in cement manufacturing and distribution, and generally promotes economic growth and sound infrastructure investment. For more information, visit [www.cement.org](http://www.cement.org).

The Associations object to DOE’s continued use of the Social Cost of Carbon (“SCC”) in the cost-benefit analysis performed in connection with this Proposed Rule and believe the SCC should be withdrawn as a basis for the Proposed Rule. The SCC calculation should not be used in any rulemaking or policymaking until it undergoes a more rigorous notice, review and comment process. These arguments were more fully developed in comments filed by AFPM, the Chamber, American Petroleum Institute, and several other trade associations on DOE’s Energy Conservation Standards for Commercial Refrigeration Equipment,<sup>2</sup> and more recent comments to the Office of Management and Budget on the Regulatory Impact Analysis of the Social Cost of Carbon,<sup>3</sup> and are incorporated by reference herein.<sup>4</sup>

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<sup>2</sup> See Comments of the U.S. Chamber of Commerce, American Forest & Paper Association, American Fuel & Petrochemical Manufacturers, American Petroleum Institute, Council of Industrial Boiler Owners, National Association of Manufacturers, National Mining Association, and Portland Cement Association; Docket No. EERE-2010-BT-STD-0003-0079; <http://www.regulations.gov/#!documentDetail;D=EERE-2010-BT-STD-0003-0079>.

<sup>3</sup> See Comments of the U.S. Chamber of Commerce, The American Chemistry Council, American Coalition for Clean Coal Electricity, American Exploration & Production Council, American Forest & Paper Association, American Fuel & Petrochemical Manufacturers, American Iron & Steel Institute, American Petroleum Institute, America’s Natural Gas Alliance, Brick Industry Association, Council of Industrial Boiler Owners, The Fertilizer Institute, Independent Petroleum Association of America, National Association of Home Builders, National Association of Manufacturers, National Mining Association, National Oilseed Processors Association, Natural Gas

Thank you for your consideration of this important matter. If you have any further questions, please feel free to reach out to William Kovacs, Senior Vice President at the U.S. Chamber of Commerce at (202) 463-5457 or by e-mail at [wkovacs@uschamber.com](mailto:wkovacs@uschamber.com).

Respectfully submitted,

American Chemistry Council  
American Coke and Coal Chemicals Institute  
American Forest & Paper Association  
American Fuel & Petrochemical Manufacturers  
American Petroleum Institute  
Brick Industry Association  
Council of Industrial Boiler Owners  
National Association of Home Builders  
National Association of Manufacturers  
National Lime Association  
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National Oilseed Processors Association  
Portland Cement Association  
U.S. Chamber of Commerce

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Supply Association, and Portland Cement Association; Docket ID OMB-2013-0007;  
<http://www.regulations.gov/#!documentDetail;D=OMB-2013-0007-0100>.

<sup>4</sup> Notably, even DOE has acknowledged in the Proposed Rules that (1) “[t]he estimates are presented with an acknowledgement of the many uncertainties involved and with a clear understanding that they should be updated over time to reflect increasing knowledge of the science and economics of climate impacts;” (2) “[i]t is important to recognize that a number of key uncertainties remain, and that current SCC estimates should be treated as provisional and revisable because they will evolve with improved scientific and economic understanding;” and (3) “[t]he interagency group also recognizes that the existing models are imperfect and incomplete.” *See* 81 Fed. Reg. 65805, 65807 (September 23, 2016). These acknowledgments provide further support for the Associations’ assertion that the SCC calculation should undergo further review before being used in any rulemaking or policymaking.