Fan Energy Rating (FER) Update

It's Hard To Stop A Trane.

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The Fan Energy Rating (FER) deadline of July 3, 2019 is fast approaching. As new information becomes available, we will keep our customers informed of ongoing changes and what it means for the industry. As many of you are aware, the Air-Conditioning, Heating, and Refrigeration Institute (AHRI), recently petitioned the Department of Energy (DOE), asking them to initiate a Notice and Comment for Rulemaking to develop a new test procedure and furnace metric tentatively named 'AFUE2'. AFUE2 would combine electrical efficiency and gas efficiency into a single metric. This would mean that gas efficiency (AFUE), standby power (Watts), and FER (Watts/CFM) would be combined into a single furnace efficiency metric rather than three independent metrics. On November 14, 2018, the DOE published a Notice of Petition for Rulemaking to consider this request. The comment period for this notice is open until January 14, 2019.

In response, the DOE has issued an Enforcement Policy Statement for the FER regulation, stating that the DOE will not enforce the testing, certification and compliance requirements while the DOE considers the request from AHRI. Until a formal response is recieved, there is uncertainty regarding the outcome of the DOE Notice of Petition.

Some possible outcomes:

• DOE denies the petition and maintains the current metric including the FER regulation with a July 3, 2019 effective date.

- DOE agrees to further consider the petition and delays the enforcement of the current FER regulation while the petition is under consideration.
- DOE chooses to open a rulemaking to develop the test procedure for a unified metric (AFUE2) and transition to a new efficiency standard. Timing for this transition is uncertain but likely 12 18 months minimum. While the rulemaking process proceeds, the current FER regulation could stay in effect or be suspended.

Please note that Canada recently announced they will be implementing the FER regulation as of July 3, 2019. The AHRI petition does not affect Canada's plans to implement FER.

We will be prepared to be in compliance with FER by the July 3 regulatory deadline. This will ensure we have a full and competitive furnace offering no matter the outcome from DOE.

We are closely monitoring the situation and will provide further updates as they become available.