

Vermont Energy
188 Krupp Drive
Williston, VT 05495



3-14-17

Dear Chairman Carr and members of the House Energy & Technology Committee:

Thank you for the opportunity to share some perspectives from Vermont's business community in support of H. 411 "An act relating to Vermont's energy efficiency standards for appliances and equipment."

I am a partner at Vermont Energy Contracting and Supply Corp. We are an HVAC and plumbing contractor based in Williston and serving the Chittenden County region. We have been in business in Vermont since 1984 and currently employ 17 workers and generate revenues of about \$3.1 million per year. I would have liked to attend today's committee hearing in person, but with the cold weather and the snow storm predicted to whump us we have a full plate responding the heating needs of our clients.

Vermont Energy Contracting and Supply installs water heaters, central air conditioners and heat pumps, boilers, furnaces, and plumbing fixtures all of which are covered by federal energy efficiency standards. In some cases those standards have been in place since the early 1990s. Like safety standards, energy efficiency standards protect our customers and protect our business from low quality products that cost more to operate than they should.

Some of the heating and hot water equipment we install goes into new construction, but most of the time we're working in existing buildings replacing old equipment that has reached the end of its service life. Most customers wait until equipment fails before they replace it, which means that most of our installations are under emergency conditions. Customer call us when they have no heat or no hot water and need service restored so that they can live in their homes or run their businesses. These are not the kind of conditions that encourage, for example, a comparative lifecycle analysis between two different boilers. Customers want their heat back on as quickly as possible at the lowest possible price. Energy efficiency standards mean that when we replace a boiler, almost every customer will use less fuel than they did with their old boiler because standards mean that the new one will operate more efficiently. We take pride and a lot of care in recommending the best energy solution for our clients. We consider not just initial cost, but repair and maintenance costs, energy/fuel efficiency costs and eventual replacement costs. All these factors should be weighed when determining the right equipment.

Energy efficiency standards help our low-income customers because standards apply to all covered equipment. Like most things, manufacturers sell different lines of water heaters, boilers, or air conditions with "good, better, or best" product lines at increasing prices. A manufacturer typically introduces a new energy efficient feature in its most expensive line, and customers must buy the entire package of high-end features in order to get the added efficiency. Standards ensure that all products

Comments of Marshall Paulsen, Vermont Energy Contracting and Supply Corp.

across all product lines must meet a minimum level of energy efficiency and that none of our customers get stuck with wasteful HVAC equipment just because they can't buy the most expensive model.

Current federal energy efficiency standards that apply to the equipment we install seem to work pretty well. I am concerned that if Congress repeals federal energy efficiency standard laws that it could cause chaos in the HVAC equipment market, and that customers could end up with boilers, furnaces or water heaters that are maybe slightly cheaper to buy, but much more expensive to the owner in the long run. H. 411 is designed to keep current federal standards in place, and I support it.

Respectfully,

Marshall Paulsen
Vermont Energy