

Midea America Research Center 2700 Chestnut Station Court Louisville, KY 40299

3/23/2018

Chairman Christopher Bray Senate Committee on Natural Resources and Energy Vermont General Assembly Montpelier, VT

Dear Chairman Bray and Members of the Natural Resources and Energy Committee:

On behalf of Midea America Corp. ("Midea") we respectfully submit the following comments in strong opposition to HB 410, legislation that would set minimum energy efficiency standards for certain home appliance products in Vermont.

About Midea

Midea is the world's largest producer of major appliances and the world No.1 brand of air-treatment products, air-coolers, kettles and rice cookers. Midea Group is world leading technologies group in consumer appliances, HVAC systems, robotics and industrial automation systems, and smart supply chain (logistics). Midea offers diversified products, comprising of consumer appliances (kitchen appliances, refrigerators, laundry appliances, and various small home appliances), HVAC (residential air-conditioning, commercial air-conditioning, heating & ventilation), and robotics and industrial automation (Kuka Group and Yaskawa joint venture). Midea is committed to improving lives by adhering to the principle of "Creating Value for Customers". Midea focuses on continuous technological innovation to improve products and services, and to make life more comfortable and pleasant.

Midea's concerns with HB 410

HB 410 seeks to establish ENERGY STAR as the minimum standard for residential ventilation fans and should be deleted.

1. Health concerns

The manner in which HB 410 seeks to regulate residential ventilation fans and portable air conditioners creates, in our minds, risk to public health for vulnerable populations which include low income households as well as those suffering from chronic asthma and allergies.

Air flow is an important factor in improving indoor air quality while ensuring all income levels can afford the best air quality, especially for homes that cook a lot of stir fry, vegetables, and cooktop grilling.

The California Air Resources Board (CARB) funded research on Kitchen Ventilation Solutions to Indoor Air Quality Hazards from Cooking (October 2013).

The findings were straightforward – install and use exhaust ventilation in kitchens that remove smoke, remove odors and moisture, and are affordable.

Also, CARB states that "[S]tudies have revealed that home air pollutant levels can exceed health-based standards when people are cooking in kitchens with poor ventilation. The best way to ventilate is to use a properly-installed, highly efficient range hood (e.g., high cubic feet per minute [cfm] rating and low sones [noise] rating) to remove pollutants produced during cooking activities."

Compliance with ENERGY STAR levels require lower airflow values, which causes challenges related to maintaining safe distances between cooking surface and the hood using lower power for ventilation. It also makes it extremely problematic for hoods used with commercial style gas cooktops due to the inherently larger air volumes associated with five or more gas burners.

Another complicating factor is that ventilation systems are very dependent on the installation. Installation is an important factor and is outside the control of appliance manufacturers or the ENERGY STAR levels. Installation of a longer ventilating duct system requires increased power to move the air through longer ductwork.

HB 410 creates disadvantages to low income consumers and chronic sufferers of asthma and allergies.

Our goal at *Midea* is to offer products to all consumers at various price points to ensure healthy indoor air quality for all.

2. Applying the ENERGY STAR standard dilutes the purpose of the program

ENERGY STAR is widely recognized by consumers as a mark showing more efficient consumer choices.

If ENERGY STAR were made a minimum standard and all products bore this mark, consumers would be confused and purchasing market-level products (rather than the energy efficient products they are seeking).

3. The DOE standard is an adequate standard for portable air conditioners and industry needs five year lead in period

Regarding Portable Air Conditioners (PACs), my company supports the publication of DOE's Portable Air Conditioner final rule to ensure national energy savings and a national marketplace.

Because this is the first time DOE is setting an energy conservation standard for portable air conditioners, manufacturers have been planning for the five-year timeframe that allows for re-design and retooling of products and manufacturing process for this new mandatory limit.

HB 410 is not consistent with the DOE rule's five-year lead-in period to allow manufacturers to make the necessary modifications as described above.

The 5-year lead-in is the minimum time needed to comply with new standards. There is also broad support for DOE to publish the rule even before the court ruling and recent agency appeal. This includes support from DOE's Appliance Standards and Rulemaking Advisory Committee.

Sincerely,

Phil Hombroek

Regulatory Manager,

Midea America Research Center