

To: U.S. Department of Energy

Date: October 2, 2013

Re: Ex parte meeting on Grid-enabled water heaters, September 26, 2013.

On September 26, 2013 a number of stakeholders met with DOE representatives regarding water heater standards and thermal storage and demand response programs.

The following individuals were in the meeting:

Jay Morrison, National Rural Electric Cooperative Association
Keith Dennis, National Rural Electric Cooperative Association
Julie Barkemeyer, National Rural Electric Cooperative Association
Brian Cavey, National Rural Electric Cooperative Association (on phone)
Harvey Sachs, American Council for an Energy-Efficient Economy
Lowell Ungar, American Council for an Energy-Efficient Economy
Robin Roy, Natural Resources Defense Council
Craig Glazer, PJM Interconnection
Steve Rosenstock, Edison Electric Institute
Alex Hofmann, American Public Power Association
Charlie Adams, A. O. Smith Corporation (on phone)
Josh Greene, representing A. O. Smith Corporation (on phone)
Karen Meyers, Rheem Manufacturing Company (on phone)
Paul Steffes, Steffes Corporation (on phone)
John Cymbalsky, DOE
Dan Cohen, DOE
Ari Altman, DOE

Mr. Jay Morrison presented DOE with a copy of recent draft legislative language agreed to by the stakeholders in the meeting. This draft amendment to S.1392 gives as its purpose, "To modify the efficiency standards for grid-enabled water heaters." It would allow restricted sales of resistance water heaters larger than 75 gallons after April 16, 2015 for use in thermal storage and demand response programs with specified conditions and reporting requirements, and with episodic reviews of the program by the Secretary of Energy. The stakeholders presented it to DOE staff for their information, to clarify the intent of the legislative proposal, and so that the parties and DOE staff could discuss whether the ideas within the language could potentially be incorporated in the regulatory proposal pending in docket no. EERE-2012-BT-STD-0022.

Mr. Morrison noted that the group did not have full consensus on any specific regulatory alternative, but that the issue is important enough to warrant early consideration. He expressed hope that DOE would be able to find an alternative regulatory approach to achieving the same ends as the legislation.

The draft amendment is attached.