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August 3, 2015

Office of the General Counsel
U.S. Department of Energy
Via Email: expartecommunications@hq.doe.gov

Re: Ex Parte Communication

On July 16, 2015, Karen Meyers, Vice President of Government Affairs, Rheem Manufacturing Company (“Rheem”), and Bill Anaya, counsel for Rheem at Alston & Bird, LLP, met with Anne Harkavy, Deputy General Counsel of the Department of Energy (“the Department” or “DOE”), to discuss issues related to the Department’s proceeding to develop a mathematical conversion factor with regard to energy efficiency testing for consumer water heaters and certain commercial water heaters. Rheem is a water heating industry leader with significant domestic manufacturing capacity.

Rheem appreciates the focused efforts of Ms. Harkavy and the team at the Department to seek to develop interim solutions while, at the same, working to establish an appropriate final conversion factor which will provide clarity to the American consumer and the industry working to manufacture products that are both energy efficient and innovative. Rheem observed that the new Uniform Efficiency Factor (“UEF”) test procedure that went into effect on July 13, 2015 does not, alone, enable manufacturers to appropriately inform consumers, in the way they expect, about the efficiency of the water heaters they purchase. The conversion factor is necessary. It is key to establishing the minimum energy efficiency level for water heaters and the labeling of the products to inform consumers.

Rheem explained that in the absence of the promulgation of a conversion factor or reliance, in the interim, on the pre-existing energy efficiency standards, two impacts will occur:

- Risk to Rheem’s investment in new product launches planned to begin this month and, correspondingly, the company’s financial planning which is fundamental to American job preservation; and
- Risk of a period of lawful backsliding on efficiency by producers who may, on account of this period of time without a federal minimum efficiency level, put lesser efficient products into the marketplace than the public has come to expect and in a way that does not guide the consumer as to their level of inefficiency and denies them the benefits of more innovative products



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Rheem looks forward to assisting the DOE's process to swiftly resolve this important matter in order to advance national energy efficiency goals, help consumers have the information they need about the water heaters they purchase, and preserve American manufacturing jobs.

Sincerely,

A handwritten signature in black ink that reads "Karen B. Meyers".

Karen Meyers
Vice President, Government Affairs

cc: Ms. Anne Harkavy
Mr. Bill Anaya



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