



Proposed Amendment to Canada's *Energy Efficiency Regulations* **Vented Gas Fireplaces**

Summary of the first Canadian consultation regarding Natural Resources Canada's proposal to require the testing and labelling of vented gas fireplaces.

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The Office of Energy Efficiency (OEE) of Natural Resources Canada (NRCan) issued a Bulletin dated July 10, 2000, which outlined a proposal to amend Canada's *Energy Efficiency Regulations* to require the testing, verification and labelling of vented gas fireplaces traded interprovincially or imported into Canada.

This was the first communication by NRCan to interested parties on Canada's proposal to regulate the testing and labelling of vented gas fireplaces.

Over 300 individuals, organizations, utilities and various levels of government were sent a copy of the Bulletin. It was also posted on the OEE's *Regulations* Web site, and sent to various trade media. The closing date for comments was September 15, 2000.

The following is a summary of the comments received, the OEE's response to the comments, and a description of the next steps in this process.

Summary of Comments

The OEE received letters from representatives of Canadian and U.S. trade associations, manufacturers, dealers, distributors of vented gas fireplaces, environmental advocacy groups, gas utilities and individuals.

Most of the written comments favour NRCan's proposal to establish a level playing field for gas fireplaces sold in Canada: many respondents strongly recommend the adoption of a minimum performance standard for these appliances to eliminate the most inefficient products from the marketplace. Furthermore, it was agreed that a standardized method is needed to convey energy efficiency information on vented gas fireplaces to consumers.

Several letters identified issues relating to the proposed prescribed performance test standard used to determine the efficiency rating. Comments were also received on the proposed EnerGuide label. Finally, views were expressed on the cost of testing, and the short time frame proposed for compliance with the proposed regulation.

Response to Comments

- *Minimum performance standards for gas fireplaces:* The original proposal for regulating gas fireplaces called for a mandated verification program (which includes testing of vented gas fireplaces to the Canadian Standards Association (CSA) test method), and EnerGuide labelling. A regulated minimum performance standard would not come into effect immediately. NRCan is proposing a one-year period after the verification program is implemented to review the performance test data to the approved CSA P.4.1. test standard, submitted under the verification program.
- *Usage trends of gas fireplaces:* Some letters suggested that most of the gas fireplaces sold in Canada are used for decorative purposes, and regulating their use would have a negligible impact on reducing greenhouse gas emissions. However, NRCan believes that natural gas fireplaces in Canadian homes use a significant amount of energy.

A study undertaken by NRCan suggests that gas fireplaces are more often used in Canada for supplementary heating than for decorative purposes. In general, their use increases in relation to the outside temperature and tends to mimic furnace consumption, but with slightly higher shoulder season usage. Industry figures show that over 100 000 gas hearth products are sold every year, and that the sales trends do not show any signs of weakening. Some industry figures show sales increasing by approximately 10 to 20 percent per year.

- *Performance test standard:* Many letters expressed concerns regarding several aspects of the CSA P.4.1. performance test standard. The following is a response to these comments:
 - The regulatory proposal would require dealers of vented gas fireplaces to undertake the verification reporting of all such fireplaces imported into Canada and/or traded interprovincially. Several letters questioned the use of the term “dealer” and requested clarification. A **dealer** is broadly defined as a person engaged in the business of manufacturing, importing into Canada and/or selling or leasing energy-using products obtained directly or indirectly from a manufacturer or importer, or an agent thereof. The requirements of the dealer for reporting are already identified in Canada’s *Energy Efficiency Regulations*.

- Several letters expressed concern about the repeatability of the test results, calling into question the validity of the test standard. There were also concerns about the cost of testing. The subcommittee responsible for the CSA P.4.1. at CSA-International has addressed the issue of repeatability at its last meeting. It is studying the issue of testing costs, and will soon make recommendations on ways to reduce the cost impact, especially for smaller manufacturers of gas fireplaces.
- Several letters also questioned whether there was sufficient industry representation from manufacturing interests in the CSA P.4.1 standards subcommittee. CSA-International is responsible for membership on the subcommittee. It is NRCan's understanding that after having received several calls from industry associations and companies, CSA will review the composition of the members of this subcommittee.
- *Implementation/testing time frame:* There was criticism expressed on the short implementation time of the regulatory proposal, in view of the fact that the CSA P.4.1. standard would not be finalized in time for dealers to comply with the originally proposed implementation date of June 2001.

NRCan is requesting comments from stakeholders on the time required to conduct the necessary tests in order to comply with CSA P.4.1. NRCan is also soliciting suggestions on the type of assistance that the department may provide in facilitating testing and certification of gas fireplaces. In addition, concerned parties may wish to propose alternate approaches to model definitions that will alleviate testing needs.

The implementation date of the regulatory proposal depends therefore on NRCan and CSA clarifying the issues related to testing and reporting, and on CSA finalizing and publishing the CSA P.4.1. test standard.

It is hoped that all of the issues regarding the standard will be resolved in 2001. At this time NRCan will be able to reissue its intention to implement a regulation – including energy efficiency reporting and labelling – and set a date for implementation.

- *Form and manner of EnerGuide labelling:* Many parties expressed concerns that it would be unfeasible to affix an EnerGuide label on units encased in mantels at the point of sale, especially on units that are operating. It was also stated that reporting energy efficiency ratings on EnerGuide labels may be difficult when the base units have different installation options. Finally, several letters explained that the best information vehicle would be product brochures – similar to the EnerGuide rating for heating, ventilating and air conditioning (HVAC) equipment – and not product labels.

NRCan agrees that product brochures are ideally suited for conveying information on energy efficiency. This should be normal practice for all energy-using products. NRCan also agrees that there should be one standardized method of reporting on energy efficiency of vented gas fireplaces, and an explanation of how the efficiency ratings affect performance. However, NRCan does not feel that the objections presented in the comments on labelling were conclusive, and maintains that the use of the well-known EnerGuide label in its traditional presentation on the product holds the most promise for consumer impact.

NRCan is again requesting comments from stakeholders on viable labelling options. As well, NRCan will continue to carry out qualitative and quantitative research on various labelling proposals and make further recommendations on the form and manner of labelling during the early part of 2001.

Next Steps

NRCan plans to hold two half-day meetings before the end of March 2001 in Toronto and Vancouver, at locations to be announced. These meetings will focus on all aspects of the proposed regulation, and will enable NRCan and interested parties to exchange information and gather data regarding the regulation.

A meeting agenda will be issued early in mid-February 2001. It will be posted on the OEE's *Regulations* Web site at <http://oee.nrcan.gc.ca/regulations>.

To prepare for the meeting, NRCan is asking interested parties to submit, in writing, questions or issues they would like to see addressed. Please send your submissions to the following address before **February 9, 2001**.

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