

NMHC/NAA Viewpoint

To ensure a smooth and orderly market transition to more environmentally safe and energy-efficient appliances and building equipment, the apartment industry urges federal policymakers and regulators to take into account both the diversity of the apartment stock and the unique business concerns of the multifamily industry when implementing new appliance efficiency standards.

Since 2009, the U.S. Department of Energy has issued 18 new or updated energy standards for appliances and building equipment.

APPLIANCE EFFICIENCY STANDARDS

Federal energy efficiency standards and regulatory mandates for appliances are an important issue for the apartment industry given the number of household appliances and electronic devices found in the typical apartment. These range from air conditioners, hot water heaters and furnaces to refrigerators, microwave ovens and even light bulbs.

The environmental performance and energy consumption of many of these appliances are regulated by federal agencies such as the Department of Energy and the Environmental Protection Agency (EPA). While the apartment industry strongly supports improved energy performance, the practical implementation of many of these regulations can create serious, and sometimes cost-prohibitive, challenges for housing providers.

In some cases, overly prescriptive directives have outpaced the ability of the manufacturing sector to bring technically advanced products to market at reasonable and competitive prices. In other cases, one-size-fits-all regulations fail to reflect the wide array of multifamily product types—from high-rise buildings to garden apartments—and require the installation of equipment that might not be practical for certain types of properties. There are also issues with maintaining appliances on existing properties. For example, new regional appliance efficiency standards could require the installation of new furnaces, air conditioners and hot water heaters that simply do not fit in the space available for them on the property.

Federal appliance emissions requirements are also proving problematic. Certain ozone-destroying chemicals, including R-22, a main chemical used in refrigeration, are being phased out of production. While EPA is trying to manage the transition to avoid market disruptions, the limited supply of R-22 is creating significant price volatility for apartment firms trying to maintain and service existing cooling equipment.

When considering new appliance efficiency requirements, federal policymakers and regulators must ensure they are cost-effective and address the unique needs of the apartment sector, including building design, operational challenges and occupant behavior.