

U.S. Consumers Will Save \$30 Billion with Proposed Residential Gas Furnace Standards

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Resistance by Gas Utilities Has Not Allowed for a Meaningful Update to Furnace Standards in 35 Years

Today, national consumer groups hailed the release of the Department of Energy's proposal to increase energy efficiency standards for residential furnaces as a crucial step toward saving consumers at least \$30.3 billion on their energy bills. The Consumer Federation of America, National Consumer Law Center, and Consumer Reports, upon initial review, are in support of the Biden Administration's proposed rule which will benefit the vast majority of consumers who currently have outdated, inefficient gas furnaces. The rule will save consumers money on electricity bills, and reduce greenhouse gas emissions that contribute to climate change.

The standards governing gas furnaces have been in place for well over a quarter of a century with no meaningful improvement. U.S. consumers cannot afford to wait any longer for pocketbook savings of \$30.3 billion. These savings must be delivered post-haste via new standards.

"A strong updated efficiency standard will ensure that the efficiency level of all furnaces on the market will meet a higher minimum standard," **said Charlie Harak, Staff Attorney at the National Consumer Law Center.** "Many homeowners lack the time or information needed to choose to upgrade to a more efficient furnace, especially if they are doing an emergency replacement. Many others are renters - often disproportionately low-income consumers - and without strong, economically justified furnace standards, their property owners will install less expensive and less efficient furnaces, burdening tenants with higher bills for decades to come."

"Strong updated efficiency standards will save consumers money over the life of the furnace," **said Mary Greene, Senior Policy Counsel for Sustainability Policy at Consumer Reports.** "Overall, Consumer Reports is pleased that DOE is proposing a standard that will help save consumers money, and bring significant environmental benefits."

"Although the harm done to consumers through years of inaction and stonewalling by the gas utilities on this standard cannot be undone, by adopting a higher standard today, future harm can be prevented," **said Richard Eckman, Energy Advocate at CFA.** "We will urge the Department to move with all due speed to finalize a long overdue, much-needed standard that does away with inefficient, energy-wasting furnaces so that consumers will pay less on their energy bills."

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The Consumer Federation of America is a nonprofit association of more than 250 consumer groups that was founded in 1968 to advance the consumer interest through research, advocacy, and education.

Founded in 1936, Consumer Reports (CR) is an independent, nonprofit and nonpartisan organization that works with consumers to create a fair and just marketplace. Known for its rigorous testing and ratings of products, CR also advocates for laws and corporate practices that are beneficial for consumers. CR is dedicated to amplifying the voices of consumers to promote safety, digital rights,

financial fairness, and sustainability. The organization surveys millions of Americans every year, reports extensively on the challenges and opportunities facing today's consumers, and provides ad-free content and tools to 6 million members across the United States.