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Vice President, Government Relations

June 30, 2016

VIA EMAIL TO: equipment@nrcan.gc.ca

Debbie Scharf
Director, Equipment Division
Office of Energy Efficiency
Natural Resources Canada
930 Carling Avenue, Building 3, 1st Floor
Ottawa, Ontario K1A 0Y3

NEMA Comments on Natural Resources Canada Proposed Amendment 14 to Canadian Energy Efficiency Regulations for Small Electric Motors

Dear Ms. Scharf,

The National Electrical Manufacturers Association (NEMA) submits these comments and proposed edits and additions to the subject proposed amendment. These comments are submitted on behalf of NEMA Motor and Generator Section member companies.

As you may know, NEMA is the association of electrical equipment and medical imaging manufacturers, founded in 1926 and headquartered in Arlington, Virginia. The National Electrical Manufacturers Association (NEMA) represents nearly 400 electrical and medical imaging manufacturers. Our combined industries account for more than 400,000 American jobs and more than 7,000 facilities across the U.S. Domestic production exceeds \$117 billion per year.

Our Member companies count on your careful consideration of this response and look forward to an outcome that meets their expectations. We look forward to working with you to understand and incorporate them. If you have any questions about the contents of this letter, please contact Alex Boesenberg of NEMA at 703-841-3268 or alex.boesenberg@nema.org.

Sincerely.

Kyle Pitsor

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NEMA Comments on Natural Resources Canada Proposed Amendment 14 to Canadian Energy Efficiency Regulations for Small Electric Motors

- NEMA welcomes Natural Resource Canada's efforts to align with U.S. regulations. We
 offer these comments to improve the harmonization between the two country's
 regulations.
- 2. With respect to what constitutes a covered small electric motor, we refer NRCan to the U.S. DOE's supplemental guidance document on this topic¹, published June 17, 2014.
- 3. With respect to the proposed effective date of the amendment, we are concerned that NRCan has not properly taken into consideration the impacts of this proposal on motor manufacturers or original equipment manufacturers (OEMs) who incorporate small electric motors in their equipment. We appreciate NRCan's desire to copy the implementation date of the U.S. regulation so as to make our two country's regulations read identically. However, to make these regulations apply retroactively will cause two significant impacts to existing products in Canada and to products in development in Canada. First, motor manufacturers maintain warehouses that supply multiple provinces in Canada, and the proposed application date of March 9, 2015 will cause stranded inventory of motors which were made or imported into Canada before the publication date of the new regulation. Of greater concern is the six month implementation period post-publication. This is not enough time for OEMs to assess and redesign their equipment which use small electric motors to identify which models will have to be redesigned for motors which change in size, nor is it enough time for these redesigned products to be recertified and catalogs and other media updated. In the U.S., OEMs were granted a period of 5 years to accomplish this significant migration. The NEMA Motor and Generator Section members recommend that at least 12 months be provided to OEMs to reassess and redesign their equipment and for motor warehouses to liquidate future non-compliant products fairly.

Extending the effective date of the regulations by an additional six months will mitigate the above negative impacts.

NEMA recommends the following changes to the proposed effective dates of Amendment 14:

"These Regulations will come into force six twelve months after the date of publication in the Canada Gazette, Part II."

"NRCan proposes that the new standards apply to small electric motors that have been manufactured on or after March 9, 2015."

4. NEMA Members have begun the process to develop a second or revised small motor rule proposal to the U.S. DOE. The anticipated outcome of a revised small motor rule are (1) to improve the definition of what products are to be covered by the efficiency requirements and (2) align the rule with industry standards to avoid market confusion and potential product loop holes. While the current U.S. small motor rule is limited to open general purpose motors, the revision likely to be proposed will add enclosed motors and partial, definite and special purpose motors within five years of publication of the final revised rule. When this process is completed we recommend a timely adoption

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¹ http://www1.eere.energy.gov/guidance/detail_search.aspx?IDQuestion=653&pid=2&spid=1

- of this amendment in Canada, which will harmonize our country standards and supersede the current, flawed standard.
- 5. NEMA invites NRCan to join and be an active participant in the U.S. regulatory proceedings to revise regulations for small electric motors when public meetings for said begin. NEMA welcomes NRCan input in the spirit of developing a jointly timed introduction of the revised product regulations to both the U.S. and Canadian markets which would reduce end-user confusion and optimize the energy savings for both countries.