

Suite 600, 1901 North Moore Street Arlington, VA 22209 USA

Phone: (703) 522-0086 • Fax: (703) 522-

0548

Email: hpbamail@hpba.org
Web Site: www.hpba.org

Thank you for meeting with us today. I am Ryan Carroll, Vice President of Government Affairs for the Hearth, Patio & Barbecue Association. HPBA has been stressing the need for sell-through on all products covered by the 2015 NSPS since the rule was proposed. It is no surprise to us that – with less than three months before the May 15th effective date of Step 2 – virtually all of the economic harm we've predicted is coming to pass. We have invited two HPBA members – Central Boiler and U.S. Stove Company – to speak about the very real economic harm they are experiencing due to the hard-and-fast prohibition on the sale of products that were certified less than five years ago and that burn roughly 80-90% cleaner than un-regulated products. While sell-though is important for all products covered by the 2015 NSPS, it is important to note that Central Heaters (that is warm-air furnaces and hydronic heaters, covered by Subpart QQQQ) were not even federally regulated prior to 2015.

In EPA's November 2018 Notice of Proposed Rulemaking, EPA acknowledges the need "to ensure that the full 5-year compliance period is available so that consumers, manufacturers, and retailers are not adversely affected." Yet here we are 15 months after that NOPR and that's exactly what we have: manufacturers and retailers suffering significant economic harm, cutting jobs, or going out of business as a result of the 2015 rule. We have seen HPBA members lay off staff, leave the industry, or go out of business entirely because they have not been able to recoup their expenses on products certified not even five years ago. Both warm air furnace and hydronic heater manufacturers will be out millions of dollars as a result of the Step 1 prohibition — a figure that can easily be the difference between keeping the lights on or shuttering the doors in a small industry such as ours.

HPBA and members commented on the harm of the May 15, 2020 deadline in comments to the NOPR. However, it was difficult to appreciate a year ago how severe the economic harm would at this stage of the game. We urge the administration to grant any sell-through it can justify: the two years proposed in the NOPR would be an excellent start, but some sell-through is vital to keeping these proud small businesses open. With that, I'll turn it over to or members to share the impacts on their companies.