Northwest Public Power Association

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March 27, 2023

Secretary Jennifer Granholm
U.S. Department of Energy
1000 Independence Ave., SW
Washington, DC 20585

Subject: Docket Number EERE- 2019-BT-STD-0018
Via email: DistributionTransformers2019STD0018@ee.doe.gov

Dear Secretary Granholm:

On behalf of the Northwest Public Power Association (NWPPA) I write to provide comments on the Department of Energy's Notice of Proposed Rulemaking regarding energy conservation standards for distribution transformers. NWPPA's members strongly oppose this action as we see it as both infeasible at this time and incompatible with electric grid reliability.

The Northwest Public Power Association is comprised of over 150 consumer-owned electric utilities in the Western United States and British Columbia. These are rural electric cooperatives, municipalities, and public utility districts governed by the people they serve and located in the states of Alaska, California, Colorado, Idaho, Montana, Nevada, Oregon, Utah, Washington, and Wyoming.

NWPPA members strongly support numerous efforts to promote energy efficiency, including incentives for building electrification and appliance efficiency standards. However, rather than enhancing these efforts, the NOPR's new conservation requirement would impose unnecessary delays and costs on utilities and would jeopardize the electric reliability that is a primary concern to all of our consumers.

The Department of Energy (DOE) finalized conservation standards for distribution transformers just five years ago that reached efficiency levels of over 99%. Compliance with the existing standards required manufacturers to use grain-oriented electrical steel, and very few manufacturers are able to source this material as it is. The additional changes proposed by DOE in its January 2023 NOPR would incrementally increase efficiency by just one-tenth of one percent. However, achieving this would have massive impacts to utilities across the U.S. that are already challenged to acquire grid components, as manufacturers would have to use an even scarcer type of steel to produce transformers.

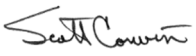
Since at least 2021, the global pandemic has strained the supply chain, making it difficult to procure transformers and other grid components needed to maintain and expand electric services. Our member utilities report delays of 24-36 months or more to receive new transformers from overseas, while domestic production of these key components is extremely limited. These delays

not only impact current operations and the timeline of utilities' ability to facilitate new construction and economic development opportunities, but also threaten the ability to keep systems running should large storm or disaster events occur.

The new proposed standard will certainly exacerbate an already constrained supply chain challenge by requiring transformers to use amorphous steel core components by 2027. This requirement will further limit utilities' options for acquiring the needed components to repair and replace transformers and will have a detrimental impact on grid reliability and meeting customer needs.

In our view, the incremental efficiency benefit from the proposed standards in no way justifies an increase in the already-long lead times faced by electric utilities in acquiring these needed infrastructure components. To help alleviate this ongoing supply chain challenge, NWPPA urges DOE to abandon the new proposed energy conservation standards and instead, issue a temporary waiver of the existing standards to allow more ubiquitous steel components to be used in the manufacturing process.

Sincerely,



Scott Corwin
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