



441 G St. N.W.
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February 27, 2025

The Honorable Mike Lee
Chairman
The Honorable Martin Heinrich
Ranking Member
Committee on Energy and Natural Resources
United States Senate

The Honorable Brett Guthrie
Chairman
The Honorable Frank Pallone, Jr.
Ranking Member
Committee on Energy and Commerce
House of Representatives

Subject: *Department of Energy: Energy Conservation Program: Energy Conservation Standards for Commercial Refrigerators, Freezers, and Refrigerator-Freezers*

Pursuant to section 801(a)(2)(A) of title 5, United States Code, this is our report on a major rule promulgated by the Department of Energy (DOE) titled “Energy Conservation Program: Energy Conservation Standards for Commercial Refrigerators, Freezers, and Refrigerator-Freezers” (RIN: 1904-AD82). We received the rule on January 30, 2025. It was published in the *Federal Register* on January 21, 2025. 90 Fed. Reg. 7464. The stated effective date of the rule is March 24, 2025.

According to DOE, the Energy Policy and Conservation Act, as amended (EPCA), prescribes energy conservation standards for various consumer products and certain commercial and industrial equipment, including commercial refrigerators, freezers, and refrigerator-freezers (CRE). See *generally* EPCA, Pub. L. No. 94-163, 89 Stat. 871 (Dec. 22, 1975), 42 U.S.C. § 6201 *et seq.* DOE stated that EPCA also requires it to periodically review its existing standards to determine whether more-stringent standards would be technologically feasible and economically justified and would result in significant energy savings. DOE stated further that this rule adopts new and amended energy conservation standards for CRE. DOE explained that it has determined that the new and amended energy conservation standards for CRE would result in significant conservation of energy and are technologically feasible and economically justified.

The Congressional Review Act (CRA) requires a 60-day delay in the effective date of a major rule from the date of publication in the *Federal Register* or receipt of the rule by Congress, whichever is later. 5 U.S.C. § 801(a)(3)(A). This rule was published in the *Federal Register* on January 21, 2025. 90 Fed. Reg. 7464. The House of Representatives received the rule on January 30, 2025, and the Senate received the rule on February 12, 2025. 171 Cong. Rec. H428 (daily ed. Jan. 31, 2025); 171 Cong. Rec. S929 (daily ed. Feb. 12, 2025). The stated

effective date of the rule is March 24, 2025. However, the rule provides for a separate compliance date, which begins on January 22, 2029. 90 Fed. Reg. at 7464. Therefore, the stated effective date is less than 60 days from date of receipt by Congress.

Enclosed is our assessment of DOE's compliance with the procedural steps required by section 801(a)(1)(B)(i) through (iv) of title 5 with respect to the rule. If you have any questions about this report or wish to contact GAO officials responsible for the evaluation work relating to the subject matter of the rule, please contact Charlie McKiver, Assistant General Counsel, at (202) 512-5992.

A handwritten signature in black ink that reads "Shirley A. Jones". The signature is written in a cursive style with a large initial 'S' and a long, sweeping underline.

Shirley A. Jones
Managing Associate General Counsel

Enclosure

cc: Ami Grace-Tardy
Assistant General Counsel for Legislation, Regulation, and Energy Efficiency
Department of Energy

REPORT UNDER 5 U.S.C. § 801(a)(2)(A) ON A MAJOR RULE
ISSUED BY THE
DEPARTMENT OF ENERGY
TITLED
“ENERGY CONSERVATION PROGRAM: ENERGY CONSERVATION STANDARDS
FOR COMMERCIAL REFRIGERATORS, FREEZERS, AND REFRIGERATOR-FREEZERS”
(RIN: 1904-AD82)

(i) Cost-benefit analysis

The Department of Energy (DOE) conducted an analysis of the costs and benefits associated with this rule. DOE typically evaluates potential new or amended standards for equipment by grouping individual efficiency levels for each class into Trial Standard Levels (TSLs). See 90 Fed. Reg. 7464, 7584 (Jan. 21, 2025). In its analysis, DOE examined the benefits and burdens of five TSLs for commercial refrigeration equipment (CRE). *Id.* The TSLs were developed to combine efficiency levels for each analyzed equipment class, ranging from TSL 5, representing the maximum technologically feasible energy efficiency for all equipment classes, to TSL 1, representing the minimum efficiency levels for most equipment classes. *Id.* DOE estimates that the cumulative net present value of consumer costs and benefits will range from \$3.43 billion to -\$8.45 billion, depending on the selected TSL. *Id.* at 7617.

(ii) Agency actions relevant to the Regulatory Flexibility Act (RFA), 5 U.S.C. §§ 603–605, 607, and 609

DOE determined that this rule will have a significant economic impact on substantial numbers of small entities and prepared a Final Regulatory Flexibility Analysis. 90 Fed. Reg. at 7637–7640.

(iii) Agency actions relevant to sections 202–205 of the Unfunded Mandates Reform Act of 1995, 2 U.S.C. §§ 1532–1535

DOE determined that this rule may require expenditures of \$100 million or more, adjusted annually for inflation, in the aggregate, for the private sector in any one year. 90 Fed. Reg. at 7641–7642. DOE described these effects and the actions it took in accordance with the Act. *Id.*

(iv) Other relevant information or requirements under acts and executive orders

Administrative Procedure Act, 5 U.S.C. §§ 551 *et seq.*

On October 10, 2023, DOE published a proposed rule. 88 Fed. Reg. at 70196. DOE stated that it received comments from various interested parties. 90 Fed. Reg. at 7478. DOE provided a list of commenters and responded to comments in the preamble of the rule. *Id.* at 7484.

Paperwork Reduction Act (PRA), 44 U.S.C. §§ 3501–3520

DOE determined that this rule contains information collection requirements under the Act. 90 Fed. Reg. at 7640–7641.

Statutory authorization for the rule

DOE promulgated this rule pursuant to sections 6291–6314 of title 42, United States Code.

Executive Order No. 12866 (Regulatory Planning and Review)

DOE stated that the Office of Information and Regulatory Affairs has determined that this rule is significant under the Order. See 90 Fed. Reg. at 7637.

Executive Order No. 13132 (Federalism)

DOE determined that this rule would not have a substantial direct effect on the states, on the relationship between the national government and the states, or on the distribution of power and responsibilities among the various levels of government. 90 Fed. Reg. at 7641.