

## PREPARING FOR THE EPA REVIEW

By Deidra Darsa

In late May, over 70 hearth industry individuals representing 40-plus member manufacturers, the Hearth, Patio & Barbecue Association (HPBA) and its hearth consultants met in Denver to review and discuss the pending U.S. Environmental Protection Agency (EPA) wood stove certification program, or New Source Performance Standard (NSPS).

This program is up for EPA review and HPBA anticipates the formal process – beginning with an Advanced Notice of Proposed Rule Making – will begin sometime in 2010. Based on its history, once formulated, the new NSPS will define the way the hearth industry builds its wood-burning products for the next 20 years. Manufacturer involvement in the process is critical.

“We are concerned that the EPA may try to move to a very low emission target,” said John Crouch, HPBA public affairs, “and apply it across the board to all wood-burning products. The NSPS is not just about setting the emission targets, but also about creating room for innovation. If we don’t create room for some idea we haven’t yet thought of, there won’t be

any way to do it later. This is an important moment for manufacturers and their engineers.”

By holding open pre-review meetings with industry insiders to discuss the existing and anticipated wood stove certification standards, which began in February 1988 and has yet to be updated, and craft the hearth industry’s position, HPBA will be better positioned to begin the process of negotiating this major revision to the regulation.

“There was concern over industry participation and how many people would attend the meeting,” said Scott Abele, customer/technical service manager, Travis Industries, Inc., adding, “HPBA was expecting about 50 people to come to the meeting. When 71 people showed up I thought that was very positive. There’s a lot of excitement in the subject. And, I think there was also quite a bit of unity.”

Unity, he believes, includes the EPA as well. “Over the past 20 years, we’ve built good relationships with the EPA,” said Abele. “Because of that, instead of being adversaries, we’re partners in this process. I believe many people at EPA believe our industry is part of the solution. We all want clean air to breathe. And, the biomass-burning products that we offer are fueled with a sustainable and renewable resource.”

Jøtul North America, Inc. was building wood stoves during the first NSPS, too. “Having been around when the original NSPS was promulgated, we’re certainly being proactive in trying to get everyone who would possibly be



Wood stove changeout news conference at EPA Headquarters in January 2008.

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## Consumer Tax Credit Update

On June 1, 2009, the Internal Revenue Service (IRS) issued its guidance for the 30 percent consumer tax credit (up to \$1500) for the purchase and installation of a 75 percent efficient biomass-burning stove. The details are:

- To be considered, a stove must use the burning of biomass fuel to heat a dwelling unit or to heat water for use in such a dwelling unit, and have a thermal efficiency rating of at least 75 percent as measured using a lower heating value.
- The consumer tax credit is 30 percent (up to \$1500) for the purchase and installation of a 75 percent efficient stove. The credit is available in 2009 and 2010, however, the maximum credit for the two-year period is \$1500.
- If a taxpayer uses the entire \$1500 tax credit on a competing product then the credit cannot be used again for a biomass stove.
- This credit applies only to **existing** principle residences.
- Manufacturers must provide a certificate of qualification for each product as required in the guidance for the customer's records.
- Prior purchases made between January 1, 2009, and June 1, 2009 are covered if the manufacturer offers a certificate of qualification for the product.

For more complete information, visit [www.hpba.org](http://www.hpba.org), or see the article, “Green Light from the IRS,” on page 66.

affected to get on board early on,” said Roger Purinton, Jøtul product development manager.

Over the years, the NSPS has only applied to traditional wood stoves and wood stove inserts. However, the EPA has indicated that they will at least consider extending this program to cover all other wood-burning devices including pellet stoves, masonry heaters and outdoor hydronic heaters, among other appliances. Based on recent negotiations regarding the Low Mass Fireplace agreement, HPBA is concerned that EPA may try to apply an unrealistically low emission target to all wood-burning appliances at the same time.

For instance, HearthStone makes a wood-burning cook stove that may be affected by the new NSPS. “I’m not sure it really belongs there because a cook stove is not really a heating appliance,” said Dave Kuhfahl, president. “But it is there, so we’re going to have to look at that and see what it takes to have the EPA certify it.”

HPBA is also very concerned that during recent discussions regarding the


negotiation of the two voluntary programs, EPA has consistently advocated a new testing program known as the Environmental Technology Verification (ETV). The ETV process is a new approach to verifying environmental claims, which uses a master contractor, and then assigns each product to whichever laboratory submits the lowest bid. The companies whose products are to be certified will have no input as to which EPA laboratory is given their product to test. Under the ETV process, a company with four certified products could conceivably find themselves dealing with four different laboratories, one for each product. The manufacturers at the Denver meeting agreed that this program was totally unacceptable to our industry and must be resisted at all cost.

“This is a bad thing for us and a bad thing for the industry,” said Kuhfahl. “It costs money to have a lab be your partner because they come and check your facility and your process. We bring in two labs now and I’d hate to have to bring in another one. It’s another added expense.”

Additionally, the ETV process may cause a financial impact to consumers as well.

“Involving more players in the certification process will only slow down the process, increase the timeline of new products to market and ultimately result in higher costs,” said John Francisty, technical director of Pacific Energy. “Plus, it will not produce cleaner-burning stoves.”

Overall, this initial meeting was a productive event. “We had general agreement on areas within the existing NSPS,” said Dan Henry, Hearth & Home Technologies, Inc. chief technical officer. “We’re looking forward to negotiating or working with EPA through this process because we feel that this will be a more favorable atmosphere than the original negotiation process in the late 1980s. HPBA member manufacturers and retailers have a desire to design, develop, manufacture and distribute products that contribute to reductions in the climate change gasses and further energy independence for the U.S. and North America.”

*Manufacturers interested in more information should contact John Crouch at [crouch@hpba.org](mailto:crouch@hpba.org).* 

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