May 21, 2024

Ms. Sherri L. Golden Secretary of the Board 44 South Clinton Ave., 1st Floor PO Box 350 Trenton, NJ 08625-0350

Re: IRA Home Energy Rebate Program Implementation in New Jersey

Dear Ms. Golden:

Samsung Electronics America, Inc. ("Samsung") respectfully submits the following comments on the state of New Jersey's Request for Information on the Inflation Reduction Act (IRA) home energy rebate programs.

Headquartered in Ridgefield Park, New Jersey, Samsung Electronics America is one of the leading home appliance brands in the U.S. and we are committed to providing energy efficient product options to U.S. consumers. Samsung has won the ENERGY STAR Partner of the Year Award for Sustained Excellence eleven times, including in 2024, and in 2021 we won the ENERGY STAR Corporate Commitment Award – a rare and distinguished recognition. Samsung has also won several ENERGY STAR Emerging Technology Awards, including for induction cooking tops, advanced adaptive compressors, innovative refrigerant systems, and advanced clothes dryers. Before introducing such products into the U.S. market, Samsung tests them for ENERGY STAR readiness and other key features at our Quality Assurance Lab in Pine Brook, New Jersey.

New Jersey has set important goals to reduce its greenhouse gas emissions by 80% from their 2006 levels by 2050. The Inflation Reduction Act home energy rebate programs can help drive New Jersey to achieve the state's climate goals. In support of New Jersey's strategic plans, we would like to emphasize the following points:

A. Strategic Planning

Key Aspects of Implementation

• The Home Electrification and Appliance Rebate (HEAR) program requires New Jersey and other implementing states to include point of sale rebates. Point of sale rebates are crucial for low-income households as they free consumers from having to pay the full price of an eligible product up front, thereby making products more affordable. A retailer would discount the price at point of sale, which would result in significantly helping low income consumers. Retailers are equipped to help advance the consumer experience and journey to help make the HEAR program a success. When consumers are able to experience a product in person, this advances their understanding of the benefits. Retailers will inform consumers within their stores about these rebate programs. Without the inclusion of retailers, the HEAR rebate program may fail to

garner sufficient attention and awareness, which would sharply limit the success of these programs.

- We believe New Jersey should deploy the HEAR rebates for all eligible income levels under the law simultaneously. It is important to drive momentum behind the rebate programs. Deploying to both low and moderate income communities will be key for awareness building and widespread attention.
- New Jersey should provide sufficient lead time for communities to digest details through thorough communications on income verification and various aspects of the IRA home energy rebate programs. Advance notice will provide disadvantaged and low-income communities more time to prepare, given the complexity of the programs. There is a tremendous opportunity for state energy offices to communicate to residents, including through websites and active calendar updates, for state-specific availability (i.e. when will a specific state go live with rebates to consumers).
- That effort would help retailers, which may well consider targeted advertisements for retail locations in low and moderate-income areas. Given that smartphone penetration is high across all income levels, utilizing websites and sharing tools such as benefit calculators would be helpful. Moreover, New Jersey's energy office can consider mailers for marketing and communications.
- Categorical eligibility is a critical aspect to reach certain covered households. There is opportunity for the state of New Jersey to tap into participants of SNAP, LIHEAP, Weatherization Assistance Program and Medicaid for automatic prequalification and targeted education.
- Based on Samsung's analysis, a more granular definition of Area Median Income (AMI) (i.e. zip code vs county level AMI) will be more beneficial to a larger number of households in any given region. States should use an AMI threshold that benefits the largest amount of households in their state.

Importance of Advancing Consumer Education through ENERGY STAR

- The EPA ENERGY STAR program has 90% brand awareness and exercises great influence over consumers. New Jersey should consider requiring ENERGY STAR appliances for the HOMES rebate program and ENERGY STAR is already a requirement for HEAR when applicable. Electric cooking products present a great opportunity for low and moderate income communities to benefit and ENERGY STAR has developed the first specification for this category. New Jersey should work to ensure that only ENERGY STAR certified electric cooking products receive rebates from consumers. For example, how fast an induction cooking product can boil water twice as fast is very helpful for burdened households. Putting less stress on the home HVAC system is another critical aspect, which is important given New Jersey's diverse weather conditions. Improved efficiency compared to non-induction are among the many benefits.
- ENERGY STAR appliances present an opportunity under HOMES to achieve greater energy savings. For example, the BPI 2400 reference in the IRA HOMES program is important to note. This standard references RESNET HERS standards, which highlight appliances. New Jersey should include ENERGY STAR and/or Most Efficient appliances such as washers and refrigerators for HOMES rebates.

• Samsung wants to underscore the importance of ENERGY STAR combo washer heat pump dryers receiving IRA home energy rebates through New Jersey's program. The HEAR rebate program requires ENERGY STAR products where applicable while allowing for heat pump dryer rebates. Consumers of all economic means can benefit from ENERGY STAR combo washer heat pump dryers as they are a growing and sustainability-enhancing segment of the market.

Critical Statutory Interpretation of HEEHRA

- We ask New Jersey to share and implement Samsung's interpretation that the IRA clearly states that electric cooking products, heat pump dryers, and heat pump HVAC products, among others, are included in a "Qualified Electrification Project" and they must be ENERGY STAR when applicable. Samsung encourages state energy offices to follow the requirements of the law for a "Qualified Electrification Project" and therefore, states should include all of the different requirements of the law and provide rebates for all allowed categories. This will provide consumers with greater choice about which products to use rebates for and follow legislative intent. This will also help manufacturers and retailers market more consistently to consumers. Samsung believes states should interpret the IRA home energy rebate provisions as they are written and for HEAR, and in our view, there is no opportunity for expansion or narrowing of what a "Qualified Electrification Project" is.
- Moreover, we ask New Jersey to provide maximum rebates for eligible products to offer consumers choice about the purchases they wish to make. This will help advance the interest of low income communities in particular.

Benefits of Assessing Time, Location and Greenhouse Emissions

- States are allowed to address location, time and greenhouse emissions in their plans to DOE. We wanted to ensure New Jersey is aware of the ENERGY STAR Smart Home Energy Management System (SHEMS) as a way to increase energy savings from participating homes under the measured approach because such systems add thermostat and other device controls that can create operational and behavioral savings, along with savings from equipment and envelope upgrades. SHEMS provides an opportunity for demand response measures to be combined with the energy efficiency focus of HOMES. This will help put less stress on the grid at peak and will allow further recognition of the energy efficiency benefits of all energy using and connected devices in the home.
- In addition, such systems can be the way to implement the section of the HOMES legislation that allows states to value savings for time, location and or GHG emissions.
- Samsung SmartThings Energy, which obtained the first mass-market qualification for SHEMS ENERGY STAR, is compatible with over 300 other companies' products.
- SHEMs and IOT platforms with energy use data integration, and marketing can educate, enroll, and execute rebates. Platforms can increase engagement across a variety of energy

- saving methods over time as users engage with these platforms more often than utility marketing assets.
- Utilities should formalize best practice for data integrations so platforms can invest in this space to help educate the customer.

Offering Choices for Energy Efficient Options for Consumers

- New Jersey should not limit rebates to only US manufactured goods. This would significantly limit the available options for consumer choices and would be counterproductive to the environmental goals of a successful rebate program. There is no statutory basis in the IRA home energy rebate programs for counterproductive Buy American restrictions, domestic content requirements, or reducing incentives for imported goods.
- Manufacturers are prepared to address demand increases for all covered products as they
 occur. Industry addressed a rapid increase in demand for home appliances during the
 COVID-19 pandemic and will continue to do so successfully.

Samsung would like to serve as a resource to our home state of New Jersey as the state implements IRA home energy rebates. Samsung has committed to net zero carbon emissions (Scope 1 and 2) for our consumer-facing business by 2030 in the United States, as well as by 2050 across global operations. Moreover, we are among the top ranked companies in the US Environmental Protection Agency's Green Power Partnership 100% Green Powers Users list. Energy efficiency is a key part of our sustainability strategy.

Samsung appreciates the opportunity to comment on New Jersey's Request for Information for IRA home energy rebates. We would gladly welcome the opportunity to discuss these matters further.

Respectfully submitted,

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