



Regulatory Reform Roundtable Discussion Notes

Tuesday, October 31, 2017
Barnes & Thornburg • Washington, D.C.

I. Welcome & Introductions (Sickles)

The roundtable meeting was called to order by NAFEM Technical Liaison Committee Chair Bill Sickles at 1 p.m.

Present:

Laura Abshire, National Restaurant Association (*conference call*)
Jeff Bauman, Continental Refrigerator
Rex Brandt, Taylor Company (*conference call*)
Kevin Bromberg, Small Business Administration Office of Advocacy
Doug Claywell, Henny Penny Corporation
Daniel Cohen, Department of Energy
James Diescher, Intertek
Jeff Ellingson, Ecolab Inc. (*conference call*)
Jim Godiska, Follett LLC
Dean Groff, Danfoss
Charlie Hon, True Food Service Equipment, Inc.
Frank Johnson, Gas Technology Institute (GTI)
Rick Jones, Imperial Brown
Matt Kampert, Ali Group North American Refrigeration Division
Kunal Kapoor, ITW Refrigeration Division/Traulsen
Elizabeth Kohl, Department of Energy
Michael McManus, Small Business Administration Office of Advocacy
Mark Menzer, Danfoss
Dave Modi, Unified Brands/Dover
Charity Njau, Summit Appliance Div./Felix Storch
Jonathan Porat, Small Business Administration Office of Advocacy
David Rostker, Small Business Administration Office of Advocacy
Prianka Sharma, Small Business Administration Office of Advocacy
Bill Sickles, InterMetro Industries Corporation, An Ali Group Company
Wayne Spillner, The Legacy Companies
Dean Stanley, AccuTemp Products, Inc.
Paul Storch, Summit Appliance Div./Felix Storch (*conference call*)
Dan Swayze, Blodgett/Market Forge
Chris Thompson, Intertek
Matt Tyson, The Wendy's Company
John Wallace, Emerson Climate Technologies
Tayyaba Waqar, Small Business Administration Office of Advocacy
Kevin Washington, ITW/FEG
David Zabrowski, CFSP, Frontier Energy, Inc.
Tammy Helminski, Barnes & Thornburg
Jeffrey Longworth, Barnes & Thornburg
Charlie Souhrada, CFSP, NAFEM

II. STATEMENT OF ANTI-TRUST COMPLIANCE

Charlie Souhrada read the NAFEM Statement of Anti-Trust Compliance into the meeting record.

III. MEETING OBJECTIVES

Sickles explained the meeting was intended to open conversation between representatives of the Department of Energy (DOE), Small Business Administration Office of Advocacy (SBA) and NAFEM members, on the topic of regulatory reform. Participants were encouraged to consider the meeting as part of an ongoing, collaborative process to:

- Reduce the regulatory burdens placed on commercial foodservice equipment manufacturers;
- Ensure a clear and non-duplicative regulatory landscape;
- Minimize the downstream financial impact on foodservice operators, i.e., restaurants, and the products they can choose for their operations.

Commented [CS1]:

IV. AGENCY UPDATES RE: REGULATORY REFORM PROCESS & STATUS

David Rostker explained that SBA is an independent voice for small businesses within the federal government. SBA activities rely on the [Regulatory Flexibility Act](#) to review regulations and consider less burdensome alternatives. In keeping with this mission, SBA is very involved in Regulatory Reform efforts as the result of two, Executive Orders:

- [Executive Order 13771 - Reducing Regulation and Controlling Regulatory Costs](#)
- [Executive Order 13777 - Enforcing the Regulatory Reform Agenda](#)

To support this agenda, SBA has hosted six, regulatory roundtable meetings for stakeholders to discuss regulation reform. SBA staff has compiled this information to share with the corresponding agencies and help small business operators understand how Advocacy and SBA can assist them. It was explained that SBA relies on the North American Industry Classification System (NAICS) to qualify a company as a small business and uses 500 employees as the default.

Daniel Cohen reported the DOE is firmly committed to regulatory reform and minimizing related burdens. The DOE has established a 13777 task force to evaluate all of the agency's regulations. DOE is also actively addressing [Executive Order 13783](#) – Promoting Energy Independence and Economic Growth, which requires the agency to evaluate regulations that burden the development or use of domestically produced energy. In pursuit of these orders, the DOE has actively sought input and categorized and prioritized all recommendations to identify actions that can be addressed simply and others that require legislative or Congressional action. Through these efforts, the DOE has already acted on the following:

- a proposed rule that will provide for faster approval of small-scale exports of natural gas;
- methods to reduce operational costs related to the 17 national laboratories located throughout the country; and
- evaluation of the appliance standards program, including the process, economic models and the Compliance Certification Management System (CCMS).

V. NAFEM SUMMARY OF REGULATORY REFORM COMMENTS

Jeffrey Longworth provided a brief summary of comments NAFEM filed earlier this year in response to the DOE's and EPA's compliance to the Regulatory Reform Executive Orders: 13771 – Reducing Regulation and Controlling Regulatory Costs (Attachment A); and 13777 – Enforcing the Regulatory Reform Agenda (Attachment B), respectively.

VI. OPEN DISCUSSION

Highlights of open discussion include:

- **ASRAC** – There was universal support for DOE to leverage the Appliance Standards and Rulemaking Federal Advisory Committee (ASRAC) to increase collaboration with all stakeholders.
- **CCMS** – Members encouraged DOE to consider methods to make the CCMS more efficient, less expensive for users to administer and compatible with similar systems, i.e., California Energy Commission (CEC), National Resources Canada (NRCan).
- **ENERGY STAR** – There was support for administration of the ENERGY STAR program to remain a shared enterprise between DOE and EPA. Members encouraged DOE to explore ways to simplify the ENERGY STAR certification and verification process. Members specifically referenced a pilot program NAFEM has been exploring with EPA since 2008. The program incorporates third-party energy audits with third-party safety audits, to lower compliance costs of the voluntary program through a more efficient third-party lab verification process. One NAFEM member, with 50 ENERGY STAR compliant models, reported the pilot program has saved his company \$3,000 - \$4,000 in third-party testing fees, per model, through the pilot program.
- **Waiver/Exception Process** – Members stressed the current waiver/exception process causes production bottlenecks and an unnecessary burden because sufficient resources aren't dedicated to meet the demand, answer questions in a timely fashion and expedite challenges. It was noted the current process relies on one individual within DOE to review these requests. This is an acute issue for commercial foodservice equipment which, unlike home appliances, are highly customized and don't fit into neat categories, which makes exception requests the "rule" as opposed to the "exception".

VII. NEXT STEPS

All parties, DOE, SBA and NAFEM, agreed to actively pursue open lines of communication moving forward. To this end, members expressed support for future NAFEM regulatory roundtables.

VIII. ADJOURNMENT

There being no further discussion, the roundtable was adjourned at 3:15 p.m.