FILED

Department of Business and Professional Regulation

Deputy Agency Clerk

CLERK

Brandon Nichols 3/2/2018

Date File #

DS 2018-018

PETITION FOR DECLARATORY STATEMENT BEFORE THE FLORIDA BUILDING COMMISS

Company:

National Home Service Contract Association

Address:

10000 Marshall Drive Lenexa, KS 66215

Name:

Arthur Chartrand

Title:

Executive Director and Counsel

Telephone: Facsimile:

(913) 871-5600 (913) 890-4779

E-Mail:

artchartrand@mac.com

Petitioner's Attorney or Representative:

David J. Roberts

Nortelus Roberts Group

Telephone:

E-Mail:

(850) 320-6587

david@norrob.com

Statute(s), Agency Rule(s), Agency Order(s) and/or Code Section(s) on which the Declaratory Statement is sought:

2017 Florida Building Code - Energy Conservation
Chapter 5 [RE] Existing Buildings, Section R501.7 – Building systems and components.

Background:

The National Home Service Contract Association (NHSCA) represents the nation's leading providers of residential home warranty (service) contracts many of whom conduct business in the state of Florida. Residential home warranty contracts are regulated by the Florida Office of Insurance Regulation pursuant to s. 631.304, F.S. In 2016 alone, NHSCA members provided home warranty contracts to over 193,000 Florida homes with over 296,000 services rendered for repair or replacements of broken appliances and household systems.

Residential home warranty contracts are a consumer contract to *service, repair or replace* a household system or appliance that fails due to normal wear and tear. [By law, they cannot cover failure due to *insurable, fortuitous events* such as fire, theft, windstorm, hail, flood, vandalism, etc.]. If the household system or appliance breaks or quits working correctly, the contracts require the service or repair of these to make it functional. The contracts do not cover replacement of appliances or systems that are not broken and operate mechanically correctly and compatibly at current manufacturer standards. If a part or an entire appliance or system requires replacement, the home service contract provider replaces it with the legally required energy operating standard under federal, state, or local law.

Most conventional air conditioning units consist of an **outdoor condenser coil/compressor** and an **indoor evaporator coil** joined to an air handler unit (which often is also joined to a furnace or heating unit). If the **outdoor condenser/compressor unit** cannot be repaired, it is replaced with a like-kind unit. If necessary to meet industry or compatibility standards, it is upgraded to meet new state mandated energy efficiency standards per Florida Building Code Section R501.7 - currently SEER 14. A perfectly good working **indoor coil** is not replaced even though rated below SEER 14 if it is fully mechanically compatible. HVAC technicians are knowledgeable through their training and experience with

manufacturer's specification what systems are compatible. They're able to verify this compatibility through manufacturer specification, training, manuals and instant and direct installer support from manufacturer representatives. Home warranty contracts are not priced nor sold to replace working equipment simply to match the efficiency rating of new equipment.

Accordingly, the NHSCA has a proper stake, interest and standing to make this request seeking clarification on certain sections of the 2017 Florida Building Code to ensure that its members are performing such services in compliance with the intent of the Code and to seek a uniform interpretation so that the work being performed by licensed providers of home service warranty contracts is being uniformly interpreted and implemented to the consumer. Petitioner seeks these clarifications as a "substantially affected person" under the procedures set forth in Section 553.775, F.S.

R501.7 Building systems and components.

Thermal efficiency standards are set for the following building systems and components where new products are installed or replaced in existing buildings, and for which a permit must be obtained. New products shall meet the minimum efficiencies allowed by this code for the following systems and components:

Heating, ventilating or air-conditioning systems; Service water or pool heating systems; Lighting systems; and Replacement fenestration.

Exceptions:

- 1. Where part of a functional unit is repaired or replaced. For example, replacement of an entire HVAC system is not required because a new compressor or other part does not meet code when installed with an older system.
- 2. If the unit being replaced is itself a functional unit, such as a condenser, it does not constitute a repair. Outdoor and indoor units <u>that are not</u> designed to be operated together must meet the U.S. Department of Energy certification requirements contained in Section R303.1.2. Matched systems are required; this match may be verified by any one of the following means:
 - a. AHRI data
 - b. Accredited laboratory
 - c. Manufacturer's letter
 - d. Letter from registered P.E. State of Florida
- 3. Where existing components are utilized with a replacement system, such as air distribution system ducts or electrical wiring for lights, such components or controls need not meet code if meeting code would require that component's replacement.
- 4. Replacement equipment that would require extensive revisions to other systems, equipment or elements of a building where such replacement is a like-for-like replacement, such as through-the-wall condensing units and PTACs, chillers and cooling towers in confined spaces.

R501.7.1 Existing equipment efficiencies.

Existing cooling and heating equipment in residential applications need not meet the minimum equipment efficiencies, including system sizing and duct sealing.

Questions

- A.) Is it required that when part of an HVAC unit is replaced, that the part or resulting whole system must meet the current SEER rating?
- B.) In the event an outdoor condenser/compressor unit is replaced and upgraded to a higher, current SEER rating, must the fully functioning and by industry standards, compatible indoor evaporator coil be replaced to match the SEER rating of the outdoor unit, (or vice-versa)?

Summary

Petitioner respectively believes the answer is "NO" to both questions as R501.7.1 appears to clearly answer both questions in the negative. Even if R501.7.1 is not seen as a full exception, then exception # 4 appears to clearly indicate that when existing components of a system like HVAC are working fine, they need not be replaced just to meet code. There seems no other logical interpretation of the intent of this exception.

With respect to Question B, Exception # 1 would also apply. Exceptions # 1-4 appear to be distinct exceptions and not dependent on each other. The language in # 2 is not necessary for reference. Even if Exceptions # 1-4 were read as conjunctive requirements, #2 appears to suggest that if the design of separate indoor and outdoor units allows them to operate compatibly together, **the two need not be "matched".** While unclear of its intent, the first sentence of # 2 "If the unit being replaced is itself a functional unit, such as a condenser, it does not constitute a repair" seems to suggest an outright exception as well.

For Example: Mrs. Baker has an eight-year-old conventional HVAC rated SEER 12. Her **outdoor condenser/compressor** portion of the air conditioner fails and needs replacing. It is recommended that it be replaced with an *available and updated* SEER 14 unit. It operates fine and compatible to manufacturer standards with the **indoor evaporator coil and air handler** (resulting in a *total* SEER calculation somewhere between SEER 12 and SEER 14). As such, we propose that it does not make economic or environmental sense to be required to tear out the existing SEER 12 **indoor evaporator coil and air handler** that is working fine and is perfectly compatible just to match the SEER 14 rating of the **outdoor condenser coil**.

Petitioner fully understands the extensive work of the Commission in developing new codes for energy efficiency and improvement for the consumer, and likewise, it would seem reasonable to ensure that the codes are uniformly interpreted. Section 553.775(1), Florida Statutes, states:

It is the intent of the Legislature that the Florida Building Code and the Florida Accessibility Code for Building Construction be interpreted by building officials, local enforcement agencies, and the commission in a manner that protects the public safety, health, and welfare at the most reasonable cost to the consumer by ensuring uniform interpretations throughout the state and by providing processes for resolving disputes regarding interpretations of the Florida Building Code and the Florida Accessibility Code for Building Construction which are just and expeditious.

Respectfully submitted,

NATIONAL HOME SERVICE CONTRACT ASSOCIATION

By: ______ Arthur Chartrand
Executive Director and Counsel