REGULATORY COOPERATION COUNCIL – JUNE 2016 WORK PLAN

| Department/Agency | United States | <mark>■◆■</mark> Canada |
|-------------------|---------------------------|----------------------------|
| | U.S. Department of Energy | Natural Resources Canada |

| Regulatory area to be addressed | Energy Efficiency Standards | |
|---------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| | In August 2014, Natural Resources Canada (NRCan) and the U.S. Department of Energy (U.S. DOE) established the goal of aligning new and updated energy efficiency standards and test methods for energy-using equipment. | |
| | In March 2016, U.S. President and Canadian Prime Minister pledged to better align and further improve appliance and equipment efficiency standards by 2020. December 2017 to provide updates on progress in implementation of the activities described in this Work Plan Update. | |

| Planne | Date | | | | |
|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|--|--|--|
| | ressing Existing Misalignment nents will be made to Canadian and U.S. regulations to better align and further impro | ve energy efficiency | | | |
| standar | ds. | | | | |
| 1.1 | Technical Exchanges U.S. DOE and NRCan will conduct monthly teleconferences to exchange information regarding the status of their respective regulatory activities and any issues encountered. Outcomes of these exchanges will inform regulatory development activities to achieve better alignment. | Monthly | | | |
| 1.2 | Canadian Regulatory Development NRCan will continue regulatory work to introduce and update energy efficiency standards and test procedures through the implementation of its Forward Regulatory Plan, which can be found here . Amendments will be finalized for 20 product categories and proposed for an additional 15 during this year. | 2016-2017 | | | |
| 1.3 | U.S. Regulatory Development The U.S. DOE will continue regulatory work on energy conservation standards and test procedures across a number of product categories. The status of active rulemakings can be found here . | | | | |
| 1.4 | Tracking and Reporting on Regulatory Alignment A document will be developed and updated on an annual basis to communicate to stakeholders the state of Canada-U.S. regulatory alignment for energy efficiency standards. | | | | |
| | 1.4.1 Draft report on state of alignment circulated for stakeholder comment | Summer 2016 | | | |
| | 1.4.2 Stakeholder comments incorporated | Fall 2016 | | | |
| | 1.4.3 First annual report on state of alignment published on NRCan and DOE websites | Winter 2017 | | | |

Planned initiatives and sub-deliverables **Date** 2 - Addressing Regulatory and Legislative Barriers to Alignment Stakeholders have identified aspects of NRCan's regulatory development processes and methods that could serve as a barrier to achieving and maintaining regulatory alignment with the U.S. NRCan will explore these issues and assess options to address them. NRCan completes internal analysis of potential changes to its authorities to more 2.1 Summer 2016 systematically align with the U.S. 3 - Sharing Best Practices Bilateral workshops will be held to share information on each country's respective approaches to key elements of their regulatory systems, which can inform strategies for better coordination. Workshop 1: Cost-Benefit Analysis Objective: Compare methodologies for quantifying costs and benefits 3.1 Fall 2016 associated with regulatory proposals and adopt best practices as appropriate. Workshop 2: Compliance and Enforcement Objective: Compare approaches to assessing and monitoring compliance 3.2 Fall 2016 with regulated requirements and identify mechanisms for increased information sharing. Workshop 3: Laboratory Testing Objective: Discuss the role of product testing in the development of 3.3 Winter 2017 product test procedures and identify mechanisms for increased information sharing. 4 - Enhancing Regulatory Process Engagement Regulators from each country will participate in regulatory processes of the other, as necessary, to increase awareness of product-specific regulatory activities occurring in both countries. U.S. DOE participates in NRCan webinars for Amendment 14 4.1 Spring 2016 NRCan participates in U.S. DOE public meetings and negotiated rulemaking 4.2 On-going activities 5 - Coordinating Work on Emerging Technologies As a precursor to future energy efficiency standards, both countries see the development and commercialization of emerging clean technology as an important component of broad strategies to support achievement of long-term domestic policy objectives (i.e. climate change, energy intensity, energy productivity). Coordinating this work will reduce duplication of efforts and inform complementary approaches.

NRCan assesses U.S. 2020 cost and efficiency targets for 5 emerging space and

water technologies¹ in the Canadian context.

NRCan assesses the U.S. DOE's Emerging Technology Program² and its underlying strategies to identify best practices (e.g., prioritization, goal-setting) that could be applied in Canada.

Winter 2017

Winter 2017

¹ U.S. DOE (2016), Building Technologies Office, Multi-Year Program Plan, Fiscal Years 2016-2020, 66-67

² Ibid, 29-112