



ASSISTANT ADMINISTRATOR FOR ENFORCEMENT AND COMPLIANCE ASSURANCE

WASHINGTON, D.C. 20460

May 10, 2024

MEMORANDUM

SUBJECT: Follow-up Response to Office of Inspector General Final Report: *"The EPA's Residential Wood Heater Program Does Not Provide Reasonable Assurance that Heaters Are Properly Tested and Certified Before Reaching Consumers."* Report No. 23-E-0012, February 28, 2023 - Recommendation 1.c to "[p]eriodically observ[e] certification testing"

FROM: David M. Uhlmann

TO: Sean W. O'Donnell, Inspector General
Office of Inspector General

EPA's Office of Enforcement and Compliance Assurance (OECA) appreciates the opportunity to further respond to the Office of Inspector General's (OIG's) report, "The EPA's Residential Wood Heater Program Does Not Provide Reasonable Assurance that Heaters Are Properly Tested and Certified Before Reaching Consumers" (the Report). Recommendation 1.c of the Report, the only recommendation that remains unresolved, recommends that EPA, "[p]eriodically observ[e] certification testing."¹ OECA agrees there is benefit to oversight of certification tests, and we have been in communication with OIG staff to provide additional detail on the oversight tools available to ensure valid certification tests, including: (1) the Laboratory Proficiency Test Program; (2) enhanced and required use of the EPA's Electronic Reporting Tool (ERT) and standardized certification test reports; (3) rigorous in-depth reviews of certification test reports; (4) guidance on compliance audit tests; and (5) communication with test labs and Third-Party certifiers. The remainder of this memorandum provides details on these tools to demonstrate that they collectively meet the intent of Recommendation 1.c.

Laboratory Proficiency Test Program

- The Agency has initiated the Laboratory Proficiency Test Program (PT program) to evaluate the competency of EPA approved testing labs and minimize testing errors. This PT program was developed cooperatively by Office of Air Quality Planning and Standards (OAQPS) and all eight EPA Approved Wood Heater Test Laboratories and is administered by an independent

¹ Report, p. 3 - 4. The Report also stated that the required 30-day testing notice is considered overly burdensome by some wood heater manufacturers. As noted in OECA's April 28, 2023, response, given the other oversight tools available to ensure valid tests, the Agency will reconsider the 30-day testing provision when the Agency revises the New Source Performance Standard.

contractor who visits each test laboratory and observes while the lab performs testing on a pellet heater. Each test lab has a pellet heater of the same model as the other labs, and EPA-OAQPS provides specifications for fuel, fuel feed rate, sampling rate, and duration of testing. Outside of those parameters, the PT provider procures the fuel, observes the testing, and collects the reported data. The data are then screened for outliers that then must be addressed to the satisfaction of the provider. Every two years the provider sends EPA a report on the conduct and results of the testing, with the lab names blinded to the Agency. The PT program has completed two cycles and is midway through the third cycle of testing. OAQPS works with the PT provider to resolve any questions with the protocol. To date, no labs have refused to participate in the PT program. More information on this program can be found here:

<https://www.epa.gov/burnwise/residential-wood-burning-appliance-laboratory-proficiency-test-program>

Electronic Reporting Tool (ERT)/Standardized Test Reports

- When manufacturers use the ERT, the Agency is able to conduct an enhanced review of the certification test reports to identify any testing irregularities or problems. The ERT is an electronic "smart" form or web tool that guides manufacturers through the reporting process, increasing the efficiency of reporting and reducing paper transaction costs. The latest version of the ERT, [Version 6](#), includes a Wood Heater Application and Certification Module (ERT Wood Heater Module). The ERT Wood Heater Module is an optional platform that prepares test reports and application packages to the Agency. When manufacturers enter performance test data, the ERT will create a wood heater certification application for obtaining an EPA certificate of compliance. The ERT will calculate the test results from either imported or manually entered data and include the manufacturer's supporting documentation to create a complete electronic report for submission to EPA.
- Use of the ERT Wood Heater Module simplifies the process for both the manufacturer and EPA, promoting more efficient coordination among the EPA-approved test lab, the Third-Party certifier, and the EPA. Manufacturers who choose to submit their Applications via the ERT Wood Heater Module will benefit from expedited review. The ERT Wood Heater Module also reduces the potential for human error and streamlines the submission process.
- While use of the ERT Wood Heater Module is voluntary, OECA heavily promotes its use through individualized training sessions with manufacturers and labs. OECA has developed ERT training presentation/materials and held three virtual trainings in the past year. Individual trainings will continue throughout 2024 and an in-person event is being planned at the Hearth, Patio, and Barbeque Association conference this spring for multiple manufacturers/labs. To date, one manufacturer has voluntarily submitted test report documentation through ERT, and we anticipate at least four more manufacturers using the tool this coming year.

Rigorous In-Depth Reviews of Certification Test Reports

- Since 2021, OECA has used rigorous in-depth reviews of certification test reports to efficiently identify any testing concerns and work with the manufacturers to address them in a timely manner. These reviews are conducted by an outside contractor who uses a detailed checklist developed jointly between OECA and OAQPS. All new applications and renewals receive the

rigorous in-depth review and OECA continues to work through the backlog of existing certification test report reviews to ensure that all currently certified model lines have had a rigorous in-depth re-review. The checklist is updated and publicly reposted whenever new, previously unidentified deficiencies are discovered. Examples of identified deficiencies include: (1) first hour particulate matter emissions not being measured, calculated, and reported for each test run; (2) absence of lab technician notes, raw data sheets, calculations, and test results including calibration sheets for all calibrated equipment (in English); (3) absence of complete conditioning data with all applicable sections referenced; (4) absence of overall firebox calculations and dimensions as well as usable firebox dimensions and calculations that result in the listed firebox volume used for certification testing; (5) absence of clear and representative (close-up) photos; and (6) leak test information, including leakage rate and any meter system volume adjustments, not documented for a filter change during the test and for system leak check following the test run. The checklist has been updated three times to date and is attached.

- To date, 218 of the current 313 certified model lines have received rigorous in-depth reviews using the checklist and identified deficiencies have been rectified. When deficiencies are identified, OECA notifies the manufacturer who must rectify the deficiency and post the revised test report on their website. As a result of the in-depth reviews, over 200 correction notifications have been sent to manufacturers. Once the model line receives a rigorous in-depth review and all identified deficiencies have been resolved, the test report is posted and is considered cleared. A list of all cleared model lines is currently sent to all EPA Regions and the Alaska Department of Environmental Conservation on a quarterly basis. This will continue until all model lines have received rigorous in-depth reviews and are cleared.

Guidance on Compliance Audit Tests

- EPA will develop and implement guidance to initiate a program for conducting audit tests to ensure that they are performed consistent with the New Source Performance Standards. This guidance will provide instruction on issues such as the rationale for choosing a particular wood heater for audit testing, the frequency for conducting audit tests, and the process for ensuring the chosen audit test heater is properly transported to the testing lab for testing.

Communication with Test Labs and Third-Party Certifiers

- When EPA identifies a concern with a certification test or the test report documentation, the concerns are immediately communicated to the manufacturers and testing labs. When OAQPS is notified that a lab or Third-Party certifier failed to appropriately conduct or document testing, OAQPS drafts a letter to the lab or Third-Party certifier outlining the discrepancy and explaining the importance/severity of it. We then ask the test lab or Third-Party certifier to review their current standard operating procedures covering the activities and make necessary changes with the intent of avoiding the mistake(s) in the future. When a lab has committed more than one such infraction, we notify their ISO Accrediting body of the issue and that they should expect to see this situation addressed at their next ISO Accreditation audit or consider removing ISO accreditation. In this instance, OAQPS would also withdraw the EPA certification. To date, OAQPS has sent out five such letters to test labs and four letters to Third-Party certifiers.

The Agency has recently dedicated additional staffing and resources to improve the Residential Wood Heater Program. The administrative burden involved with the time required to schedule, plan, and observe multi-day certification tests would mean diverting staff from other wood heater program efforts at a time when we are making significant progress. Considering the information provided by states and other stakeholders beginning in 2020 concerning how wood heaters are certified for compliance, which was discussed in the OIG report, OECA has been focused on actions to address the identified concerns and systematic problems. As mentioned above, we continue to conduct in-depth reviews of all currently certified wood heater test reports in order to increase the integrity of all test reports and ensure only compliant heaters are available on the market. We are also taking steps with our newly available resources to expand upon our enforcement capabilities – e.g., addressing tips and complaints and enforcing against entities attempting to circumvent the Wood Heater Rule and manufacture/sell uncertified heaters. We are also working on targeting potential noncompliance and carrying out both informal and formal enforcement. Periodically observing certification tests would divert resources and inhibit our progress in these areas, which we would like to avoid given there are other tools available to meet the intent of Recommendation 1.c.

The above tools make efficient use of Agency resources, avoid the administrative burden that observation of tests could impose on OECA, and are collectively as effective at achieving quality test reports from manufacturers as sending EPA enforcement staff to observe certification tests (thus meeting the intent of Recommendation 1.c). We hope this additional information more completely explains how the oversight tools ensure proper certification tests.

If you have any questions regarding this response, please contact Gwendolyn Spriggs, OECA Audit Follow-up Coordinator, at spriggs.gwendolyn@epa.gov.

Attachment

1. Checklist for Rigorous In-Depth Reviews of Certification Test Reports

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