



Office of Inspector General U.S. Environmental Protection Agency **At a Glance**

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Why We Did This Evaluation

The U.S. Environmental Protection Agency Office of Inspector General conducted this evaluation to determine whether the EPA effectively uses its oversight and enforcement authority to ensure that all residential wood heaters reaching consumers are properly tested and certified.

Pursuant to the EPA's 2015 New Source Performance Standards for residential wood heaters, manufacturers must apply for a certificate of compliance from the EPA for each residential wood heater model line before it reaches consumers. The application must include valid certification tests that demonstrate the model line's compliance with applicable emission standards.

The EPA's Office of Air and Radiation and Office of Enforcement and Compliance Assurance provide oversight of the Agency's residential wood heater program.

This evaluation supports these EPA mission-related efforts:

- *Improving air quality.*
- *Compliance with the law.*
- *Operating efficiently and effectively.*

This evaluation addresses top EPA [management challenges](#):

- *Enforcing environmental laws and regulations.*
- *Integrating and leading environmental justice, including communicating risks.*

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The EPA's Residential Wood Heater Program Does Not Provide Reasonable Assurance that Heaters Are Properly Tested and Certified Before Reaching Consumers

What We Found

The EPA's residential wood heater program does not provide reasonable assurance that wood heaters are properly tested and certified before reaching consumers. The EPA's 2015 New Source Performance Standards for residential wood heaters is flawed, and the EPA has approved methods that lack clarity and allow too much flexibility. As a result, certification tests may not be accurate, do not reflect real-world conditions, and may result in some wood heaters being certified for sale that emit too much particulate-matter pollution. In fact, data from an EPA-approved testing lab indicate that some certified wood heaters do not meet emission standards. Although the EPA withdrew some flawed certification test methods, wood heaters certified based on those withdrawn test methods remain available for sale.

The EPA's ineffective residential wood heater program puts human health and the environment at risk for exposure to dangerous fine-particulate-matter pollution by allowing sales of wood heaters that may not meet emission standards.

Additionally, the EPA lacks internal controls to ensure that certification test reports are valid and that certification tests are conducted appropriately. As a result, test reports contained deficiencies that should have been found during the certification process. Effective internal controls would include policies, procedures, and guidance; standardized certification test report formats; and systematic compliance audit tests. State regulators told us that they cannot rely on the EPA's certifications of wood heaters and, therefore, develop their own standards and lists of approved wood heaters for sale.

The EPA operates and supports changeout programs intended to replace older, dirtier wood heaters with newer, cleaner models. The EPA distributed approximately \$82 million in grants for residential wood heater changeout programs from fiscal years 2015 through 2021. However, if the replacement models do not meet emission standards because of the reasons described above, millions of federal, state, and local dollars could be wasted.

Recommendations and Planned Agency Corrective Actions

We make six recommendations to the EPA, including clarifying certification test report expectations in upcoming rule revisions; developing a reliable certification test method based on real-world conditions; and implementing internal controls to, among other things, review certification test reports and conduct systematic compliance audit tests. The Agency disagreed with one recommendation and did not clearly indicate concurrence or nonconcurrence with the others. Therefore, all recommendations are unresolved.