

Chair Mary Nichols
California Air Resources Board
1001 I Street PO Box 2815
Sacramento CA 95812



CC: Elizabeth Sheele
Michael Fitzgibbon
Pamela Gupta
Glenn Gallagher
Richie Kauer
Aanchal Kholi
Kathryn Kynett

Dear Chair Nichols,

Meeting California's target under SB 1383 to reduce hydrofluorocarbon (HFC) emissions by 40% below 2013 levels in 2030 requires the California Air Resources Board (CARB) to rapidly finalize and approve proposed rulemakings banning HFCs in new refrigeration and air conditioning equipment and in servicing existing equipment. Unless the proposed rules are rapidly finalized and current proposed dates for banning HFCs in new equipment are maintained, California risks not meeting this target and failing to uphold its longstanding leadership on this issue.

The Environmental Investigation Agency (EIA) appreciates the opportunity to provide input on three important aspects in follow up to the August 6th Technical Working Group meeting:

1. Response to Industry Request to Delay/Modify Proposed HFC Bans

EIA has concerns about certain industry requests presented at the August 6th Technical Working Group to delay the effective dates for proposed bans or to enact interim bans that would incentivize an unnecessary two stage transition to ~1500 GWP alternatives, particularly with respect to refrigeration equipment.¹ Commercial availability of alternatives to meet the >150 GWP ban in new and replacement refrigeration systems containing >50lbs of refrigerant has been established for many years, with some end-users adopting these alternatives across hundreds of their new and existing facilities.

EIA is an active stakeholder in discussions on updating standards and codes, as a member on several industry standards committees, including UL 60335-2-89, UL 60335-2-40, and the AHRI

¹ Among these requests was the August 6th letter from the Air-Conditioning, Heating, and Refrigeration Institute (AHRI)

Safe Transition Task Force. Although updates to standards and codes are essential to the HFC phase-down, the specific set of updates to harmonize North American standards with the most recent version of IEC 60335-2-89 for commercial refrigeration and adopt revised requirements for flammable A2L, A2, and A3 refrigerants are *not* necessary in order for it to be feasible to meet CARB’s proposed regulation on >50lb refrigeration equipment. In fact, adoption of the increase to 500 grams of A3 refrigerant and 1.2KGs of A2L refrigerant in the revised IEC 60335-2-89 standard for self-contained refrigeration systems in the U.S. would likely allow California and other regulators to consider an additional >150 GWP ban on smaller self-contained equipment containing <50lbs of refrigerant not covered by the current proposed regulation. It is also likely that the outcome of standards and codes updates will increase the menu of options available and present even lower cost options to end users within one to two years following the rule going into effect.

Therefore, EIA strongly opposes any changes being made to the proposal in response to these requests, including the AHRI letter dated August 6th, which does not provide sufficient justification for delaying proposed bans on HFCs above a GWP of 150 from taking effect in 2022, or a sufficient alternative policy proposal to meet the 2030 target. Furthermore, inclusion of the already proposed servicing ban would not offset emissions from this proposal since it has already been proposed and included ARB’s model as essential for meeting 2030 emission reductions. An alternative policy proposal to meet the 2030 deadline would require a much more comprehensive approach to ensuring increased recovery, reclamation, and destruction of refrigerant from the installed base.

2. Inputs on Definition of “New Refrigeration Equipment”

EIA offers the following suggested **additions** to the proposed definition of “New Refrigeration Equipment” to ensure disproportionate costs are not incurred by end-users, particularly small businesses, by the requirement for replacing or cumulatively replacing equipment, by clearly allowing for a more cost effective ‘drop-in’ retrofit to maintain existing equipment that are not accompanied by major remodeling or other investments.

“New Refrigeration Equipment” means: (1) Any refrigeration equipment that is first installed using new or used components; or (2) Any refrigeration equipment that is modified such that it is: (i) Expanded after the date at which this subarticle becomes effective, to handle an expanded cooling load by the addition of components in which the capacity of the system is increased, including refrigerant lines, evaporators, compressors, condensers, and other components; or (ii) Replaced or cumulatively replaced after the date at which this subarticle becomes effective, such that the capital cost of replacing or cumulatively replacing components exceeds 50 percent of the capital cost of replacing the entire refrigeration system.

For purposes of this [subarticle ii], **a one-time ‘retrofit’ defined as a change in the primary or secondary refrigerant used in the refrigeration equipment that does not exceed [20] percent of the [capital cost|assessed value] of the entire refrigeration system shall be exempt from the requirement to use a <150 GWP refrigerant.**

3. Conversion of the Installed Base and Improving End-of-Life Refrigerant Management

Refrigerant management represents the single largest mitigation opportunity available today, and should be further incorporated into CARB's current proposal in order to maximize emission reductions from converting the installed base of equipment.² EIA strongly supports the proposed ban on virgin HFCs >1500 GWP for servicing existing refrigeration and air conditioning equipment, which will incentivize greater reclaim of HFCs at their end-of-life and support conversion of the installed base to lower-GWP alternatives. However, the conversion to lower-GWP refrigerants may also result in accelerated emissions in the near term if stockpiles of HFCs retired and replaced by lower-GWP refrigerants are vented at their end of life.

EIA urges CARB to consider additional regulatory measures to improve end-of-life refrigerant management. California's existing Refrigerant Management Program (RMP) offers a solid foundation on which to build in additional requirements. This should include additional recordkeeping and reporting requirements for facilities required to register in CARB's RMP electronic registration system such as **reporting on quantities of high-GWP HFCs contained in stockpiled inventories** of high-GWP ODS and HFCs, and **end-user verification of reclamation or destruction at end-of-life** by certified reclaimers and destruction facilities, and extension of the RMP registration requirements and electronic reporting to **include large stationary air conditioning systems**. Such proposed policies will complement the current servicing ban proposal, and ensure CARB prevents a near-term increase in emissions from conversion of existing HFC systems.

Thank you for considering this additional input following our participation in last week's technical working group meeting. We would be happy to further discuss these comments or other aspects of the proposed regulations and look forward to continuing to support CARB in rapidly finalizing these important proposed regulations.

Sincerely,

Christina Starr, Climate Policy Analyst, cstarr@eia-global.org
Avipsa Mahapatra, Climate Campaign Lead, amahapatra@eia-global.org
Environmental Investigation Agency
www.eia-global.org

² See EIA, 2019: Search, Reuse, & Destroy: How States Can Take the Lead on a 100 Billion Ton Climate Problem. Available at: <https://eia-global.org/reports/20190214-search-reuse-destroy>