

April 13, 2021

The Honorable Michael S. Regan
Administrator
Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

Re: AHRI Petition for Technology Transition under The American Innovation and Manufacturing Act of 2020 (Commercial Refrigeration and Chillers)

Dear Administrator Regan.

The Air Conditioning, Heating and Refrigeration Institute (AHRI) represents more than 300 manufacturers of air conditioning, heating, and refrigeration equipment. It is an internationally recognized advocate for the HVACR industry and certifies the performance of many of the products manufactured by its members. In North America, the annual economic activity resulting from the HVACR industry is approximately \$256 billion. In the United States alone, AHRI members companies, along with distributors, contractors, and technicians employ more than 1.3 million people.

With this petition, pursuant to *The American Innovation in Manufacturing Act of 2020* (AIM Act), AHRI and the other signatories of this petition respectfully request the U.S. Environmental Protection Agency (EPA) to establish the transition dates for New Refrigeration Equipment¹ for the product categories listed, along with the associated maximum global warming potential (GWP)² in Tables 1 and 2, below. By “transition date,” we refer to a restriction on the use of a regulated substance in a product manufactured after January 1st of the year specified for each product category.³

Pursuant to subsection (i) of the AIM Act, we are urgently seeking promulgation of this regulation to ensure sufficient time to prepare for this transition and to comply with the requirements of the AIM Act. Under paragraph (2) of subsection (i) of the AIM Act, AHRI is required to request as part of this petition that the Administrator of the Environmental Protection Agency (EPA) “negotiate with stakeholders in accordance with paragraph (2) (A) ...”

¹ “New Refrigeration Equipment” is defined as equipment built with new components and equates to a nominal compressor capacity increase across the refrigeration appliance or an increase of the CO₂ equivalent of the refrigerant in the refrigeration appliance. The replacement of components in Existing Refrigeration Systems is permissible if the nominal compressor capacity is not increased across the refrigeration appliance or the CO₂ equivalent of the refrigerant in the refrigeration appliance is not increased.

² GWPs referred to in Tables 1 and 2 are based on the Assessment Report 4 consistent with EPA regulations and the Kigali Amendment to the Montreal Protocol.

³ The effective date should coincide with the beginning or middle of the calendar year, so as to avoid falling mid design cycle or at year’s end.

Notwithstanding this express statutory requirement regarding petitions under this subsection, the petitioners believe the regulatory standard requested in this petition represents the consensus view of the vast majority of all those who would be subject to compliance obligations if this standard were promulgated. The petitioners further believe that traditional rulemaking procedures involving public notice and opportunity for comment would be sufficient in serving the policy objectives underlying the AIM Act and allow for a suitably transparent and representative regulatory process. Indeed, the petitioners believe a negotiated rulemaking would consume valuable agency resources while providing no material value to the agency, the regulated community, or the public.

If implemented expeditiously, this petition provides a reasonable timeframe for this transition. Stakeholders have transitioned or plan to transition in several states that have adopted the EPA Significant New Alternatives Policy (SNAP) rules 20 and 21 which require the same or similar transitions. Therefore, companies must plan for a transition regardless of the outcome of this rulemaking. Consistency with SNAP rules 20 and 21 for Standalone/Self-contained equipment on the national level implemented pursuant to subsection (i) of the AIM Act as noted in the table below would ensure harmonization for product requirements and OEMs.

Any other transition date would add unnecessary cost and burden to manufacturers which would ultimately be paid by consumers. For example, many manufacturers may be forced by market conditions to respond to unaligned transition dates for the product categories named in this petition by maintaining dual product lines, with double the inventory, warehousing, distribution, and other costs that would erode margins or impose higher prices on consumers – or both. This is readily avoidable with the imposition of a national standard consistent with this petition.

Finally, delay will diminish available carbon dioxide equivalent (CO₂ eq.) for later use in the phase-down by requiring that it be used to service equipment rather than be utilized for new equipment. The additional unnecessary carrying costs and negative long-term outcome as well additional greenhouse gas consumption is avoidable in a regulation promulgated through notice and comment.

The conclusion of the signatories is that EPA can move forward with a traditional notice and comment rulemaking without a long, drawn-out negotiated rulemaking unnecessarily consuming time and resources that would be better spent preparing for the transition.

Future Refrigeration Sector Phasedowns

While further measures are needed in this sector to reach the reduction targets outlined in the legislation, more time is needed for industry stakeholders to recommend the limits for an additional transition. Standards and codes that determine feasibility of available solutions are still in flux, and near-term developments will need to be taken into consideration. A supplemental petition for this sector will be forthcoming.

Transition Dates

By way of background, the regulatory standards requested by this rulemaking petition are consistent with prior EPA rulemakings under the Significant New Alternatives Policy (SNAP) of Title VI of the Clean Air Act with a very few exceptions.⁴ To date, nine states have adopted rules based on SNAP Rule 20 and SNAP Rule 21 for the product categories listed in Tables 1 and 2, which cover approximately 30 percent of the commercial market for these products. The undersigned petitioners must comply with these state standards and therefore are seeking a federal standard to the same effect to ensure a uniform national standard.

A clarification must be made for the transition date of these regulations. Date of manufacture should be used for compliance purposes. In field erected systems, the date of manufacture should coincide with the date on which the building permit request is submitted. Many jurisdictions vary in the length of time between permit requests and pulling of the actual permit. This will provide manufacturers with certainty around the permissible products for each application.

In recognition that it may be difficult to amend the date of manufacture used in previous regulations, alternatively, a similar approach used previous rules to address continued construction could be considered for a period of one year past the effective date. Both the 2010 and 2020 EPA allocation rules provided grandfathering provisions for systems that had all components constructed but were not yet field charged or therefore “manufactured”. Either approach would address the concerns around the date of manufacture applicable to field-erected systems.

TABLE 1		
Product Category (New Equipment¹)	AR4 GWP Limit	Transition Date
Standalone/Self-contained Refrigeration Systems	SNAP Rules 20/21 Prohibitions	January 1, 2022
Remote Refrigeration Systems (> 50 lbs refrigerant charge)	1500	January 1, 2022
Remote Refrigeration Systems (<= 50 lbs refrigerant charge)	2200	January 1, 2022
Industrial and Processing Refrigeration (w/o chillers)	1500	January 1, 2022
ACIM (> 50 lbs refrigerant charge)	2200	January 1, 2022
Transport Refrigeration	2200	January 1 2023
Exceptions: ACIM < 50lbs charge, Medical, Scientific and Research Applications		

⁴ SNAP Rules 20 and 21 <https://www.govinfo.gov/content/pkg/FR-2015-07-20/pdf/2015-17066.pdf> and <https://www.govinfo.gov/content/pkg/FR-2016-12-01/pdf/2016-25167.pdf>

TABLE 2		
Chillers ⁵	AR4 GWP Limit	Transition Date
Chillers (designed for chilled fluid leaving temperature $> +35^{\circ}\text{F}$)	750	January 1, 2024
Chillers (designed for chilled fluid leaving temperature $\leq +35^{\circ}$ and $> -10^{\circ}\text{F}$)	1500	January 1, 2024
Chillers (designed for chilled fluid leaving temperature $\leq -10^{\circ}$ to -50°F)	2200	January 1, 2024
Chillers ($< 20\text{lbs}$ charge) (designed for chilled fluid leaving temperature $< +35^{\circ}\text{F}$)	2200	January 1, 2024
Exceptions: Chillers $< -50\text{F}$, Medical, Scientific and Research Applications		

To facilitate an orderly transition, industry and other stakeholders ask EPA for swift action to finalize a regulation to allow as much time as possible to prepare for this change. We greatly appreciate your attention to this matter. AHRI and other signatories are formally requesting a meeting with Joseph Goffman to discuss this petition and the timeline for a rulemaking as this is a matter of the utmost urgency. Further details of AHRI's efforts to prepare for the transition can be found in AHRI's comments on proposed SNAP Rule 23.

For additional information, contact Helen Walter-Terrinoni (hwalter-terrinoni@ahrinet.org).


Sincerely,

Helen Walter-Terrinoni

Air Conditioning, Heating and Refrigeration Institute (AHRI)
Vice President, Regulatory Affairs

Cc: Regina McCarthy
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⁵ This table covers both comfort cooling chillers and those used to cool industrial processes discussed under EPA's Industrial Process Refrigeration category.



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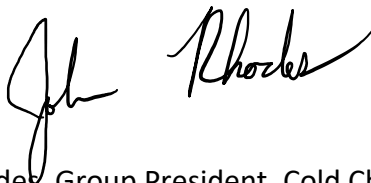
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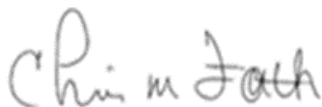


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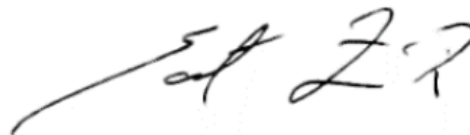
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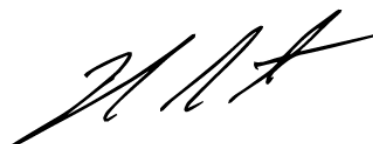
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