HARDI ADVOCACY

Federal HFC Phase-down

- The HVACR industry needs Congress to authorize regulations in order for the industry to move to new refrigerants.
- New refrigerants will create 33,000 new U.S. manufacturing jobs, add $12.5 billion per year to the U.S. economy.
- Without Congressional action, states will create a patchwork of regulations that make it harder for distributors to operate.

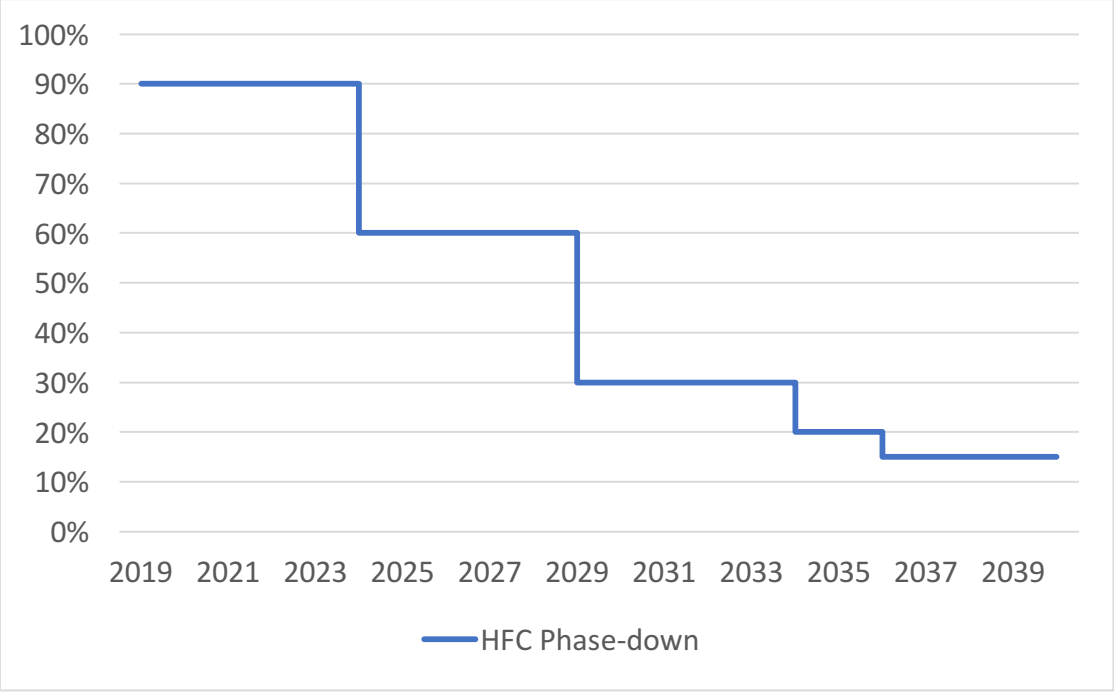
The HVACR industry has invested heavily over the past decade in the development of new refrigerants. But current federal regulations have not kept pace with this level of investment and innovation. Urgent action by Congress is needed to authorize EPA to update refrigerant regulations.

Without new regulations to phase-down the use of older hydrofluorocarbon (HFC) refrigerants and updates to building codes, it will not be possible for distributors to sell products that utilize new hydrofluoroolefin (HFO) refrigerants.

Transitioning to new refrigerants will create 33,000 new U.S. manufacturing jobs, add $12.5 billion per year to the U.S. economy and create new exports from domestic producers. It is U.S. investment in innovation that gives U.S. companies an edge in technology leadership. But the global market, which is growing rapidly, will not wait for the United States.

The HVACR industry has developed legislation providing a limited grant of authority to EPA to regulate the production and consumption of HFCs, which paves the way for new technologies and further innovation and protects U.S. jobs across the HVACR industry.

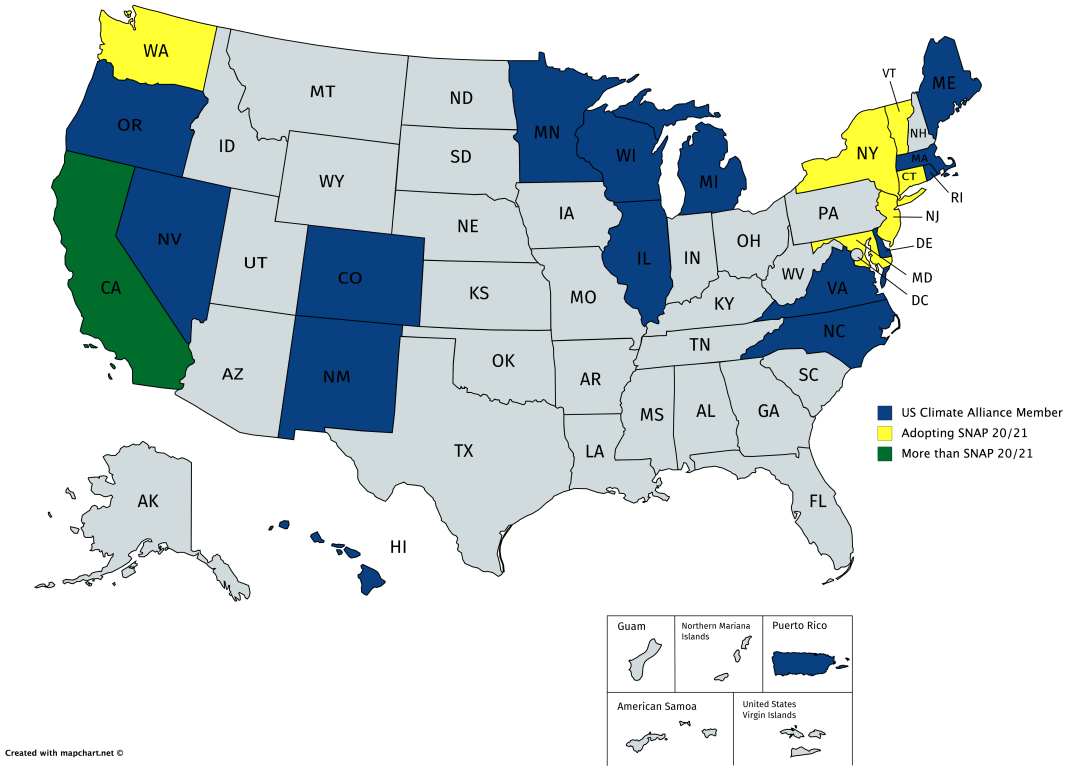
This legislation would phase-down the use of HFCs slowly through 2036:



U.S. manufacturers, distributors and contractors are watching Congress closely, as management decisions involving jobs, plant locations, and new capital expenditures need to be made. Our foreign competitors are watching, too. If Congress fails to act, it is possible domestic production will be forced to relocate to foreign jurisdictions.

In addition, some states are attempting to fill the regulatory void created by Congress' inaction. Many states have begun enacting legislation and regulations in order to develop their own HFC phase-downs. As states are making unique changes with unique sets of rules, wholesale distributors will be forced to deal will multiple a mixture of regulations which will cause confusion in the marketplace.

A map of state level regulations:



A federal phasedown would simplify the transition from HFCs to HFOs by acting as a guideline for the industry in complying with a single standard. This single standard would provide an organized plan for business owners, helping better prepare members for the future. As well as give businesses time to train employees on replacement chemicals. The HFC replacements will likely include mildly flammable refrigerants requiring new training and certifications in the future for contractors. Businesses need time to adapt to the new refrigerant needs.

The best solution for the industry is a single federal HFC phase-down as proposed in upcoming legislation.