



December 5th, 2020

California Air Resources Board
1001 I Street
Sacramento, California 95814

Re: Comments on Proposed Amendments to the Prohibitions on Use of Certain Hydrofluorocarbons in Stationary Refrigeration, Chillers, Aerosol Propellants, and Foam End-Uses Regulation

The North American Sustainable Refrigeration Council (NASRC) appreciates the opportunity to share comments on the proposed amendments to the prohibitions on use of certain Hydrofluorocarbons (HFCs) in stationary refrigeration, chillers, aerosol propellants, and foam end-uses regulation.

NASRC is a 501c3 environmental nonprofit working in partnership with a powerful network of commercial refrigeration stakeholders to remove the barriers preventing the adoption of climate-friendly natural refrigerants in food retail facilities. Our network is composed of system and component manufacturers, service and installation contractors, consultants, engineering firms, utilities, industry trade associations, and commercial refrigeration end-users representing over 38,000 food retail locations. Together, we're driving the cost, data, and workforce solutions needed to accelerate natural refrigerant adoption.

NASRC is proud to have supported the development of the current proposed stationary refrigeration regulations, which represent a successful collaboration between the California Air Resources Board (CARB) and the majority of the large food retail companies operating in California. The collaboration resulted in a regulatory pathway that gives retailers flexibility in their strategies to meet California's HFC emissions reduction target and contribute to the state's overall climate goals.

We would like to acknowledge the great efforts the CARB team has made to incorporate industry feedback and address market challenges throughout the rulemaking process. We especially commend their work to pair the proposed regulation, which was developed in partnership with the industry, with the introduction of an incentive program to help support the transition to climate-friendly refrigerants. These two things in combination will aid the industry in accelerating the transition away from HFC refrigerants.

NASRC Recommendations on Proposed Stationary Refrigeration Regulations

1. Extend Existing Facilities Check-In Date

Existing facilities represent the greatest opportunity for HFC emissions reductions, but also represent the greatest challenge for food retailers. NASRC supports the proposed regulatory pathways for existing food retail facilities outlined in Table 4 of the proposed regulations, which gives food retailers flexibility in their strategies for achieving the emissions reductions targets.

Under the proposed regulations, companies owning or operating 20 or more food retail facilities in California and national chains operating in California are subject to a check-in date of January 1, 2026, at which time they must have achieved one of the following:

- A company-wide weighted average GWP of less than 2,500; or
- A 25% or greater reduction in GHGp below 2019 levels.

We recommend extending the check-in date to December 31, 2026 to reflect the full reporting year. Though January, 2026 is the halfway point in the regulatory timeline, the majority of planning and project development will take place in the two years of the regulatory process. Extending the check-in date to December 31, 2026 will accommodate a more robust planning process without losing the benefits of a mid-way progress check-in.

2. Clarify ‘New Refrigeration Equipment’ Definition for Tables 1 & 2

The definition for ‘New Refrigeration Equipment’ as it applies to Tables 1 and 2 of the proposed stationary refrigeration regulations is as follows:

“Any refrigeration equipment that is:

- A. First installed using new or used components, or a combination of new or used components; or
- B. Modified such that:
 1. The nominal compressor capacity is increased; or
 2. The system has experienced cumulative replacements, within any three-year time period, of components in full or exceeding 50 percent of the capital cost of replacing the entire refrigeration system, excluding the cost of refrigerated display cases.”

Because commercial refrigeration systems routinely undergo modifications, we recommend providing more clarity as to how this definition should be interpreted and implemented. This is particularly important for part B.2. of the definition, as the capital cost of replacing a system will vary significantly depending on the new system design and refrigerant.

In closing, we support CARB’s efforts to transition to climate-friendly refrigerants while providing California food retailers flexibility in their strategies to meet the emissions reduction targets. We appreciate CARB’s partnership and leadership throughout the rulemaking process and look forward to continuing to support these efforts.