



Air Resources Board
California Environmental Protection Agency
1001 I Street, PO Box 2815
Sacramento, CA 95812

November 13, 2018

NASRC Comments on Discussion Item 18-9-7

Priority Investments to Reduce GHG Emissions under the Third Three-Year Investment Plan: Low-GWP Refrigerant Incentive Program

The North American Sustainable Refrigeration Council (NASRC) is a 501(c)(3) nonprofit working to reduce the environmental impact of supermarket refrigeration through the widespread adoption of natural refrigerants. We are taking action to address the challenges that are slowing the adoption of more climate-friendly refrigeration technologies, especially in the supermarket and grocery sector.

NASRC is pleased to offer comments in support of prioritizing GGRF investments to create a low-GWP refrigerant incentive program, as envisioned by SB1013. We, along with other commercial refrigeration stakeholders including supermarket retailers and major manufacturers, have submitted a letter to ARB and Governor Brown supporting and calling for prioritization of funding to establish this program. Such a program is critical to driving adoption of low global warming potential (GWP) refrigerant technologies in supermarkets and achieving the goals of SB 1383 to achieve a 40% reduction in hydrofluorocarbon (HFC) emissions by 2030.

Commercially viable options exist today for supermarkets to adopt low-GWP refrigerant technologies, but upfront costs remain a significant barrier that many supermarkets are unable to overcome. Incentives can offset first costs and drive early adoption of these advanced technologies. There is a small window of opportunity to accelerate the movement to low-GWP refrigerants in new construction and existing retrofits and “lock in” early, guaranteed, and permanent emissions reductions. Once installed, a typical supermarket refrigeration system will have a lifespan of 15+ years before end-of-life replacement. Without incentives, low-GWP refrigerant projects are unlikely to come to fruition, thereby eliminating the potential to reduce HFC emissions in the near term.

A low-GWP incentive program has the potential to stimulate adoption volumes that will drive economies of scale not only in California, but across the United States. As the number of supermarkets installing low-GWP refrigerant systems increases, the economies of scale increase and the costs of manufacturing and installation are reduced, which in turn drives demand for other supermarkets to adopt similar technology. California is poised to initiate this virtuous economic cycle which will scale the reduction of HFC emissions nationally.

NASRC urges the Air Resources Board to prioritize GGRF investments in a low-GWP refrigerant incentive program. We look forward to working with ARB staff on the next steps. Thank you for considering our comments.

Sincerely,

Danielle Wright
Executive Director
NASRC