



NATIONAL REFRIGERANTS, INC.

11401 Roosevelt Boulevard, Philadelphia, PA 19154

January 17, 2017

Mr. Richard Corey
Executive Officer
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Re: Comments on Draft Short-Lived Climate Pollutant (SLCP) Reduction Strategy

Dear Mr. Corey,

National Refrigerants, Inc. (NRI) is an independent worldwide distributor of refrigerants and associated refrigerant management services. NRI is a packager, manufacturer, and EPA-certified reclaimer of refrigerants. In addition, NRI is the largest reclaimer in the US and the only Air Conditioning, Heating and Refrigeration Institute (AHRI) Certified Reclaimer. It supplies refrigerant products to over 50,000 customers that own and operate or service billions of dollars' worth of refrigeration and air conditioning equipment. These customers include businesses of all sizes, including, but not limited to, one and two truck service technician companies, corner grocery stores, supermarket chains, industrial plants, small commercial businesses, hospitals, government facilities, and schools.

NRI is a member of the Alliance for Responsible Atmospheric Policy (Alliance) and AHRI. National supports the comments submitted by the Alliance and AHRI but offers these additional comments on certain aspects of the SLCP strategy.

NRI supports ARBs removal of the dates originally included with a GWP cap for air conditioning and refrigeration. While National recognizes that ARB is under a regulatory mandate to reduce carbon emissions, we remain concerned that the GWP limits listed in the strategy will prematurely eliminate the use of several safe and efficient fluorocarbon refrigerants such as R-407A as well as recently introduced lower GWP refrigerants such as R-448A. These refrigerants have proven performance and are considered critical to the successful transition from R-22. They are also part of the solution to improving energy efficiency in systems that previously contained R-404A and R-507. It cannot be emphasized enough that sufficient time be allowed for the safe and effective transformation to lower GWP air conditioning and refrigeration equipment. This includes not just the development and manufacture of the equipment but also the proper training for anyone in the supply chain who will be providing, distributing or using the lower GWP refrigerants the HVACR industry is moving toward.

NRI believes that strong refrigerant management programs provide the most effective means to control greenhouse gas emissions and applauds the Board's existing Refrigerant Management Program. However, we continue to doubt the value of incentive programs to force retrofits because they actually could be detrimental to the environment if equipment owners do not consider the total impact to the environment by switching to a refrigerant solely based on its

GWP value and not considering the comprehensive effect on system efficiency and energy consumption. A more positive and beneficial application of an incentive program would be to support the recovery and reclamation of used refrigerants as part of ARBs Refrigerant management Program (RMP).

NRI applauds ARBs recognition that the use of reclaimed high GWP refrigerants will be necessary to support the installed equipment base in California until their end of life. However, one area of concern in the strategy is the proposal to prohibit the distribution of virgin high GWP refrigerants in California. This provision will prevent companies in California from being able to utilize regional distribution facilities already located in California. Such facilities are used to efficiently and economically supply refrigerants and other HVACR parts and equipment to wholesale locations in California as well as in neighboring states. These facilities support employment in California and allow full utilization of established assets in the supply chain. To prohibit them from continuing to supply virgin high GWP refrigerants to locations in surrounding states will present an economic hardship and require the use of additional truck shipments which will result in an increase in CO2 emissions and thereby, contravene ARBs goal of reducing these emissions. It is very likely that distribution centers located in California will have to be located outside of California due to higher prohibitive distribution costs. We strongly encourage ARB to allow virgin high GWP refrigerants to be distributed from California utilizing the existing RMP reporting requirements to verify that no virgin high-GWP refrigerants are being sold in California.

NRI appreciates the continued opportunity to participate in ARB's SLCP strategy and is available to discuss our comments at your convenience.

Respectfully submitted,
NATIONAL REFRIGERANTS, INC.

A handwritten signature in black ink that reads "Maureen Beatty". The signature is written in a cursive, flowing style.

Maureen Beatty
Executive Vice President