CONSULATE GENERAL OF JAPAN 350 SOUTH GRAND AVENUE, SUITE 1700 LOS ANGELES, CALIFORNIA 90071 TELEPHONE (213) 617-6700

December 2, 2020

Chair Mary D. Nichols California Air Resources Board 1001 I Street, Sacramento, CA 95814

Dear Chair Nichols,

It is my great pleasure to send you this note, with my most sincere hope that all is well with you during this difficult period.

I would like to first of all say thank you, to you and your executive staff members, for arranging the discussion directly between METI and CARB of September 3rd, to share information on the draft regulation on hydrofluorocarbon (HFC) in the VRF systems in Heating Ventilation and Air Conditioning (HVAC) industries.

Please allow me to re-emphasize the energy conservation achieved with VRF systems, which is expected to reduce energy consumption by fully one-third. The Japanese government has been promoting energy conservation in air conditioning systems for many years, and VRF systems are the top technology in Japan and currently installed in 30% of commercial buildings.

And as we have experienced in Japan, the potential for new energy savings in the US through this technology alone is a tremendously positive opportunity, which we would hope to share with California.

And in the spirit of sharing our best practices and know-how, we suggest and respectfully recommend that California's rulemaking on HFC's be formulated not just to rapidly reduce the quantity of HFC, but also to maximize the potential benefits from VRF systems and allow for the introduction of new refrigerants associated with these highly efficient VRF systems.

Japan's METI has drafted regulations to come into effect in year 2025, to allow government agencies and industry to develop standards and educate workers to introduce new lower GWP refrigerants, which would contribute to reductions in overall levels of high GWP HFCs. During this process, we invite CARB to remain engaged in this discussion with Japanese agencies and experts; and in your own rulemaking we request

that CARB please keep open an option for California to benefit from the proven advantages of the new refrigerants and technology which now help Japan – and other Asian and European countries – to conserve up to one-third of the energy used in cooling buildings.

My compliments and best wishes,

MUTO Akira

Consul General of Japan in Los Angeles