



November 10, 2017

Delivery via CARB comment portal and email

Ms. Pamela Gupta, Manager  
Greenhouse Gas Reduction Strategy Section  
Research Division  
California Air Resources Board  
1001 I Street  
Sacramento, CA 95814

Re: Arkema Comments on the Proposed California Adoption of Certain U.S. SNAP provisions

Dear Ms. Gupta,

Arkema is a diversified chemicals manufacturer operating industrial and research and development facilities around the world. In the U.S., Arkema and its subsidiaries operate 34 facilities employing over 3,000 people in California and 18 other states. Arkema makes advanced coatings, high performance materials, and specialty industrial chemicals, including HFCs and low GWP HFOs.

Arkema supports the goals of the Kigali Amendment to the Montreal Protocol to phase down HFCs globally, and we have invested heavily in the next generation of alternative refrigerants and foam blowing agents. Arkema believes that the most effective means of reducing any potential future climate change contribution of HFCs are those that are global in nature and are based on the following principles:

- The market is better equipped than any regulatory authority to make decisions about timely and effective transitions;
- Users should have freedom to choose products that work best in their application, subject to an overall cap;
- The cap should decline predictably and over a time period sufficient to allow safety, equipment design and supply considerations to be addressed;
- The allocations and phasedowns should be uniform across markets.

These are the principles on which the Montreal Protocol, the most successful environmental treaty in history, is based. To that end, Arkema believes that ARB's efforts to reduce HFC emissions should be considered in the context of their contribution to an effective and cohesive global approach.

Evaluated in that light, California's proposal to adopt federal SNAP regulations, should the latter be vacated, is seriously wanting for the following reasons:

1. By abandoning market principles and adopting vacated SNAP bans, ARB would increase HFC emissions.

Leveraging market programs is one of the guiding principles of ARB's SLCP reduction strategy. Turning instead to selective bans of HFCs likely would have the perverse effect of *increasing* global emissions. The bans would drive HFCs into uses outside California, thereby encouraging users to postpone transitions to newer equipment utilizing low GWP alternatives and resulting in leakage.

2. By adopting regulations that are vacated at the federal level, ARB is creating an interstate commerce issue that would burden manufacturers, be costly to administer and encourage equipment charging to take place outside the state for sale in California.
3. Adopting "California-only" regulations on HFCs thus would have a significant negative impact on California consumers while generating no climate benefit.
4. While the intent of this proposal may have been to bring certainty to the California market, the effect will likely be the opposite by putting California regulations at odds with the rest of the country. A global problem requires a global solution.

Arkema very much appreciates the opportunity to provide comments and we thank you in advance for considering them. Please do not hesitate to contact me at (610) 205-7077 if you need any additional information.

Sincerely,



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