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April 13, 2021

The Honorable Michael S. Regan
Administrator
Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

Re: AHRI Petition for Technology Transition under The American Innovation and Manufacturing Act of 2020 (Air Conditioning)

Dear Administrator Regan:

The Air Conditioning, Heating and Refrigeration Institute (AHRI) represents more than 300 manufacturers of air conditioning, heating, and commercial refrigeration equipment. It is an internationally recognized advocate for the heating, ventilation, air conditioning, and refrigeration (HVACR) industry and certifies the performance of many of the products manufactured by its members. In North America, the annual economic activity resulting from the HVACR industry is approximately \$256 billion. In the United States alone, AHRI members companies, along with distributors, contractors, and technicians, employ more than 1.3 million people.

With this petition, pursuant to The American Innovation in Manufacturing Act of 2020 (AIM Act), AHRI and the other signatories of this petition respectfully request the U.S. Environmental Protection Agency (EPA) to require “Residential and Light Commercial Air Conditioners” (Stationary AC) to use refrigerants with global warming potentials (GWP) of 750 or less, with such requirement applying to new Stationary AC equipment manufactured after January 1, 2025, excluding variable refrigerant flow (VRF) equipment. For VRF equipment, the petitioners request that refrigerants be limited to 750 GWP for equipment manufactured after January 1, 2026. If promulgated, these standards will result in an additional half billion tons of CO2 reduction over and above what already is projected to be achieved by implementation of the AIM Act.

We are urgently seeking promulgation of this regulation to ensure sufficient time to prepare for this transition and to comply with the requirements of the AIM Act.

Under paragraph (2) of subsection (i) of the AIM Act, AHRI is required to request as part of this petition that EPA “negotiate with stakeholders in accordance with paragraph (2) (A) ...”.

Notwithstanding this statutory requirement regarding petitions under this subsection, the petitioners believe the regulatory standard requested in this petition represents the consensus view of the vast

majority of all those who would be subject to compliance obligations if this standard were promulgated. The petitioners further believe that traditional rulemaking procedures involving public notice and opportunity for comment would be sufficient in serving the policy objectives underlying the AIM Act and allow for a suitably transparent and representative regulatory process. Indeed, the petitioners believe a negotiated rulemaking would consume valuable agency resources while providing no material value to the agency, the regulated community, and the public.

We believe the transition date requested in this petition is eminently reasonable, practical, and achievable. An earlier date may not be achievable, and a later date could perturb other aspects of AIM Act implementation.

The proposed date allows sufficient time for careful planning and preparation, both to avoid excessive costs that can unduly burden consumers and to ensure all safety and other associated standards can be met. For example, contractors and technicians must receive appropriate training, state and local building codes must be updated and changed, and supply chains and distribution networks must be modified. As a general matter, the U.S. HVACR industry already is proceeding with the requested transition date as its goal; granting this petition provides order and structure to the market and streamlines industry preparation.

We note our industry, along with other stakeholders, has participated in rulemaking proceedings by the California Air Resources Board (CARB) for implementation of a similar program for California. CARB has approved regulations (and Washington State has proposed legislation) for a January 1, 2025, transition for Stationary AC refrigerants with a GWP limit of 750 or less excluding VRF equipment, which has a transition date on January 1, 2026. Therefore, companies must plan for a transition by January 1, 2025, (and 2026 for VRF equipment), regardless of the outcome of this rulemaking.

In fact, all stakeholder groups are already preparing for the Stationary AC transition date in California and potentially in Washington State in this timeframe. Training for contractors and technicians is now available and more will become available in preparation for the California transition. The Fire Services Research Institute (FSRI) has prepared training for first responders which will be available in 2021 well in advance of the 2025 transition timing.

Any transition date differing from those in California would add unnecessary cost and burden to manufacturers, which would ultimately be paid by consumers. More than 15 percent of Stationary AC units are sold into the California market. An alternate date would require the U.S. HVACR industry to produce and distribute two sets of products in inventory, creating parallel and costly duplicative inventory. The cost of development will already be required for those states requiring this transition date, and there will be a savings by transitioning nationally by eliminating the second supply chain.

A later date is also problematic, prolonging the use of high GWP refrigerant in new equipment, which would result in higher demand for high GWP refrigerant to service equipment in the post-2025 period.

Protecting this “GWP” preserves the value of the requested transition date by alleviating potential pressure for further transitions in the future, providing market stability and regulatory certainty, which in turn confers significant benefit to workers and consumers in the form of increased investment, greater employment opportunities, and lower costs.

In light of the foregoing, and as further elaborated upon herein, the petitioners believe the requested transition date is the best possible outcome for all affected stakeholders and may be properly and adequately established by EPA via its regular notice and comment rulemaking procedures.

Thank you for your time and consideration of this matter, which is a high priority for AHRI and the U.S. HVACR industry. We respectfully request EPA’s prompt attention and swift action in promulgating the rule proposed by this petition. We would be happy to provide any further information you may require in considering this petition and commencing the requested rulemaking.

Sincerely,

Helen Walter-Terrinoni

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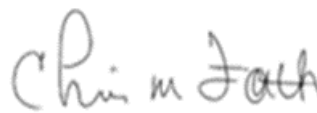
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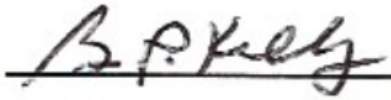


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A handwritten signature in black ink, appearing to read "B. Kelly", written over a horizontal line.

Brian Kelly, UA Director of HVACR Services

