

The AIM Act: Technology Transitions

Sector Workshops

June 30, 2022

Agenda

- Opening Remarks
- Overview of the AIM Act
- Proposed Rulemaking: Technology Transitions
- Next Steps
- Discussion Questions

Opening Remarks

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The American Innovation & Manufacturing (AIM) Act



- Lists 18 HFCs as regulated substances
- Phases down HFC production and consumption by 85% by 2036
- The AIM Act authorizes EPA to address HFCs in three main ways:
 - Phase down HFC production and consumption through an allowance allocation program and trading program (HFC Allocation Rule; proposed rulemaking for 2024 and later years)
 - Facilitate sector-based transitions to next-generation technologies (Technology Transitions proposed rulemaking)
 - Promulgate certain regulations for purposes of maximizing reclamation and minimizing releases of HFCs and their substitutes from equipment

AIM Act Subsection (i): *Technology Transitions*

- By rulemaking, EPA may by rule restrict the use of HFCs in a sector or subsector in which the HFC is used
- These restrictions may restrict uses fully, partially, or on a graduated schedule
- A person may also petition EPA to promulgate a rule for the restriction on use of a HFC in a sector or subsector
 - Extensive list of factors to consider in determining whether to grant or deny the petition
 - Strict timelines for responding to petitions
 - Granting petitions does not mean EPA will propose or finalize requirements identical to the petitioners' request



Technology Transitions Overview

- In 2021, EPA received petitions to restrict HFCs under subsection (i)
- May 25, 2021: Published Notice of Data Availability (86 FR 28099)
- October 7, 2021: EPA granted 10 petitions and partially granted 1 petition (86 FR 57141; October 14, 2021)
 - Statutory deadline for a final rule is October 7, 2023
 - December 29, 2021: EPA determined we would use a typical rulemaking and not a negotiated rulemaking to address these petitions (86 FR 74080)





Addressing the Rulemaking

- NPRM includes granted petitions from more than 40 subsectors in the aerosols, foams, refrigeration and air conditioning sectors
 - Petitioners were ENGOs, industry trade associations, states, and private companies
- Some petitions requested restrictions that are identical or similar to previous CAA section 612 Significant New Alternatives Policy (SNAP) rules, which were partially vacated by the D.C. Circuit and remanded to EPA
- Other petitions requested that EPA's restrictions under AIM (i) go further than the SNAP rules by setting lower GWP limits and/or adding additional HFC uses (e.g., in dehumidifiers)

Next Steps

- The Technology Transitions NPRM will cover ~40 applications in refrigeration and air conditioning sector, foams, and aerosols
- We plan to address the granted petitions in a single rulemaking
 - Many cover the same or similar uses
 - The deadline for promulgating a rule to address these petitions is the same
- We also plan to propose establishing framework elements and definitions for implementation of subsection (i)
- Rulemaking will be proposed later this year, followed by a public comment period
 - EPA intends to finalize rule in 2023

Reminders

- Unless called to speak, please keep your speaker on **MUTE**
 - if joining by phone unmute by entering *6
- During Q&A session:
 - Raise your **HAND** to ask to speak 
 - Open **CHAT** to submit questions or ask to speak 
 - Please indicate your **NAME** and **AFFILIATION**
 - Please be mindful of time to allow others opportunity to ask questions or speak
- If your internet connection is unstable, turning off your **VIDEO** might help

Discussion Questions

General Questions

- Should regulations use the date of manufacture, sale or distribution, and/or entry into commerce or import of products and equipment?
- Do current business records and labels provide the date of manufacture? For appliances? Foams? Aerosols? Larger Ref/AC equipment?
- How could EPA identify HFCs in products?
 - Do current labels specify the HFC or HFC blend used? The amount used? The GWP of the HFC or HFC blend?

General Questions (continued)

- Would challenges exist if additional information (e.g., HFC, GWP, reclaim, date of import or manufacture) was required on labels?
- How should EPA consider products or equipment manufactured prior to the compliance date?
- If EPA were to establish requirements for recordkeeping, reporting, what should we consider (e.g., quarterly, annual, domestic, imported, exported)?
- Are there barriers for using reclaimed HFCs for first charge of new equipment?

Refrigeration and Air Conditioning

- How will timing of the transition be impacted by the updates to building codes? Or other factors?
- Is there any feedback on the GWP limits that were requested by some petitioners? And how would the GWP limit approach work compared to restricting specific HFCs or HFC blends by sector or subsector (e.g., SNAP Rule 20 and 21)?
- How should EPA consider the treatment of field-charged equipment (such as IPR, supermarkets, residential AC)?
- How should EPA treat equipment that is retrofitted? What would be the date of manufacture for retrofits? How should EPA consider capacity additions to an existing facility?
- Is information including the refrigerant type, amount, and/or its GWP included in the permitting process for certain field charged equipment? Where else could such information be found?

- The granted petitions cover light duty vehicles; however, EPA is aware of other vehicle types using substitutes. Which other vehicle types should EPA consider?
- For MVACs, should regulations use model year or calendar year? What are the pros/cons if EPA were to use one over the other?
- How do you currently keep business records on the use of HFCs and substitutes? What reporting requirements do you have?
- Do current labels provide information regarding HFCs and substitutes (e.g., type of regulated substance, date of manufacture, GWP, reclaimed)?

Aerosols, Foams & Other Sectors

- What aerosol applications use HFCs?
- How easy would it be to differentiate if we were to limit aerosols to certain uses (e.g., technical spray dusters for professionals)?
- What foam applications use HFCs as foam blowing agents?
 - How should EPA treat polyols? How should EPA treat products that contain foam?
- Is there information on a label or included on packaging on which substance is used (e.g., propellant, solvent, foam blowing agent, fire suppressant)? Is this information found anywhere else (e.g. SDS)?
- What applications use reclaimed HFCs? Are there barriers for using reclaimed HFCs in aerosols? Foam blowing?

Closing