



The Alliance

for Responsible Atmospheric Policy

May 24, 2016

Chairman Lisa Murkowski
Committee on Energy and Natural Resources
US Senate
304 Dirksen Senate Office Building
Washington, DC 20510

Chairman Murkowski:

We would like to commend you on the progress of the Energy Policy Modernization Act (S. 2012), approved by your committee and the US Senate, and would like to provide the perspective of the Alliance for Responsible Atmospheric Policy.

The Alliance is an industry coalition organized in 1980 to address the issue of stratospheric ozone depletion as well as the production and use of fluorocarbon compounds. It is composed of manufacturers, businesses and trade associations, which make or use fluorinated gases in their course of business. The US fluorocarbon using and producing industries contribute more than \$158 billion annually in goods and services to the US economy, and provide employment to more than 700,000 individuals with an industry-wide payroll of more than \$32 billion. In August 1986, one year before the Montreal Protocol treaty was signed, the Alliance was the first industry organization to call for an international environmental agreement to address ozone depletion when the science demonstrated that the world needed to cooperate on this global environmental threat. Today, the Alliance coordinates industry participation in the development of reasonable international and government policies regarding both ozone protection and climate change. At the same time, Alliance member companies are leading the development of next generation, climate- and ozone-friendly, technologies and applications.

The Alliance is proud of its long history of working in a positive manner with the US government on the protection of stratospheric ozone and climate change. A list of Alliance member companies is attached.

Since September 2014 the Alliance has publicly expressed support for global and domestic efforts to reduce the emissions of high global warming potential (GWP) HFCs and to promote technology innovation for low-GWP substitute compounds and technologies. The Alliance and its members have pledged to take actions and support policies to reduce global HFC use by 80 percent by 2050.

The leading component of this plan is the adoption of an amendment to the Montreal Protocol to limit the emissions of high GWP HFC compounds. The Montreal Protocol process has provided an effective framework and mechanisms to ensure cost-effective transitions to improved technologies consistent with availability and the ability of the economy to absorb them. In order to enable the necessary technology transition, Alliance member companies will spend in excess of \$5 billion through 2024 on new R&D and capital expenditures to develop and commercialize low GWP products. The technologies to replace HFCs will include a wide range of compounds tailored to specific end-uses. We recognize that domestic policies, when properly structured, can play a helpful role in supporting this technology development.

Two provisions in the Energy Policy Modernization Act of 2015, however, have attracted great attention from our members.

First, regarding Section 1105 (Energy Conservation Standards for Commercial Refrigeration Equipment), there is concern that this provision contravenes the concept of “technology neutrality” and provides no environmental benefit. That is to say, the provision promotes one technology over another, rather than allowing the market to determine which product is preferred by consumers for achieving a specific goal. As noted above, an effective transition to next generation replacements for high GWP HFCs will require the use of a wide range of technologies. This provision should ensure any alternative refrigerants do not cause greenhouse gas emissions to increase. As currently written, it appears to enable such an increase, and thus, our member companies oppose this provision.

Second, regarding Section 3704 (Promoting the Use of Reclaimed Refrigerants in Federal Facilities), the Alliance addressed this topic in its comments regarding the then-proposal by DoD, GSA and NASA in FAR Case 2014-026 (FR publication date: May 11, 2015), stating that “the federal government should give preference to “the use of reclaimed refrigerant to service existing federal buildings and facilities.”

Our members are fully engaged in the regulatory and policymaking process, providing detailed information on technologies where helpful. As this legislation moves towards conference, we would be happy to meet with you or your staff to provide further perspective on the transition from high GWP HFCs. If you have any questions, please feel free to reach me at fay@alliancepolicy.org or (703)243-0344.

Sincerely,

A handwritten signature in black ink, appearing to read 'KF' followed by a stylized flourish.

Kevin Fay
Executive Director
Alliance for Responsible Atmospheric Policy



The Alliance

for Responsible Atmospheric Policy

Members

AGC Chemicals Americas
A-Gas/RemTec
Air-Conditioning, Heating &
Refrigeration Institute
Airgas
American Pacific Corp.
Arkema
Association of Home
Appliance Manufacturers
Auto Care Association
Bard Manufacturing Company
BASF
Brooks Automation, Inc.
Cap & Seal Company
Carrier Corporation
Center for the
Polyurethanes Industry
Chemours
Combs Gas
Consolidated Refrigerant
Solutions
Daikin Applied
Danfoss
Dynatemp International
Emerson Climate
Technologies
E.V. Dunbar Co.
Extruded Polystyrene Foam
Association
Falcon Safety Products
FP International
Golden Refrigerant
Halon Alternatives Research
Corporation
Heating, Air-conditioning &
Refrigeration Distributors
International
Honeywell
Hudson Technologies
Hussmann
ICOR International
IDQ Holdings
Ingersoll-Rand
International Pharmaceutical
Aerosol Consortium
Johnson Controls
Lennox International
Metl-Span Corporation
Mexichem Fluor Inc.
Midwest Refrigerants
Mitsubishi Electric
National Refrigerants
Owens Corning Specialty &
Foam Products Center
Rheem Manufacturing Company
Ritchie Engineering
Solvay
Sub-Zero
The Dow Chemical Company
Whirlpool Corporation
Worthington Cylinder