

ISSUE BRIEF

Supply chain pressures continue: California begins process of adopting HFC restrictions from vacated EPA SNAP ruling

February 21, 2018

What change(s) are being considered?

Although the U.S. Court of Appeals vacated the 2015 EPA SNAP (Significant New Alternatives Policy) [rule](#) banning certain HFCs commonly used in a number of commercial foodservice equipment categories by 2021, California is proceeding with identical regulations. According to the California Environmental Protection Agency's Air Resources Board (CARB), these efforts will proceed in two phases:

- Phase one - Immediately address supermarket retail food, stand-alone (self-contained) refrigeration, remote condensing units, vending machines, food processing and dispensing equipment, and five of the 13 foam-end uses in SNAP [Rule 20](#).
- Phase two - Address all remaining SNAP HFC unacceptable listings in Rules 20 and [21](#) that were not covered in phase one.

Additionally, CARB plans to drive industry to lower-Global Warming Potential (GWP) refrigerants by adopting new regulations for new stationary refrigeration equipment:

- Place restrictions on the sale or distribution of refrigerants with GWP > 2,500, and
- Ban refrigerants with a GWP >= 150 in new refrigeration equipment with a charge size of 50 pounds or more beginning January 1, 2021.

Is this a Federal, state or local issue?

While this is a State of California issue, it is part of ongoing worldwide pressure to remove HFCs from the supply chain to help protect against further climate change.

What organization recommended the change(s)?

CARB is tasked with helping the State "confront the devastating effect of climate change." More information can be found at <https://www.arb.ca.gov/cc/shortlived/shortlived.htm>.

How will this recommended change impact my business, and what should my company be doing about it?

In addition to the costs and time associated with transitioning to new refrigerants, there are limited acceptable substitutes for R-404A, which EPA has banned. Additionally, the use of flammable refrigerants, such as propane, pose significant safety risks all along the supply and service chain, as well as to end-users and consumers.

Under the rule, the following refrigerants will no longer be allowed in new retail food refrigeration equipment: HFC-227ea, KDD6, R-125/290/134a/600a (55.0/1.0/42.5/1.5), R-404A, R-407A, R-407B, R-407C, R-407F, R-410A, R-410B, R-417A, R-421A, R-421B, R-422A, R-422B, R-422C, R-422D, R-423A, R-424A, R-428A, R-434A, R-437A, R-438A, R-507A, RS-44 (2003 composition).

Companies that make refrigeration equipment will need to make supply chain changes, transitioning to the final list of acceptable alternative refrigerants by January 1, 2021.

What is NAFEM doing to address this issue?

NAFEM is engaged in ongoing dialogue with CARB and will continue to keep members updated on this issue. Also visit the Advocacy section of www.nafem.org for updates and to learn more.

What should my company be doing to address this issue?

This evolving situation should be monitored closely. Manufacturers are strongly encouraged to continue to explore alternative refrigerant options.

CARB will hold a [public hearing](#) on the first phase of its plan on Thursday, March 22, at 9 a.m. at the Riverside County Administration Center in Riverside, Calif. NAFEM members are encouraged to attend. The meeting will also be [webcast](#).

Who should I contact with questions?

For questions on this topic, please contact Charlie Souhrada, CFSP, NAFEM's vice president, regulatory & technical affairs: csouhrada@nafem.org or +1.312.821.0201.