



The American Innovation and Manufacturing (AIM) Act

Stakeholder Meeting

FEBRUARY 25, 2021

Agenda

9:30-10:15am

- ▶ **Welcome & Introductions** – Chris Grundler, Director, Office of Atmospheric Programs (OAP)
- ▶ **Opening Remarks** – Joe Goffman, Acting Assistant Administrator, Office of Air and Radiation
- ▶ **Introductory Remarks** – Chris Grundler, Director, OAP
- ▶ **Overview of the AIM Act** – Cindy Newberg, Director, Stratospheric Protection Division

10:15-11:00am

- ▶ **Stakeholder Remarks**
- ▶ **Question & Answers**

Welcome & Introductions

CHRIS GRUNDLER

DIRECTOR, OFFICE OF
ATMOSPHERIC PROGRAMS

Opening Remarks

JOE GOFFMAN

ACTING ASSISTANT
ADMINISTRATOR,
OFFICE OF AIR AND
RADIATION

Introductory Remarks

CHRIS GRUNDLER
DIRECTOR, OFFICE OF
ATMOSPHERIC PROGRAMS

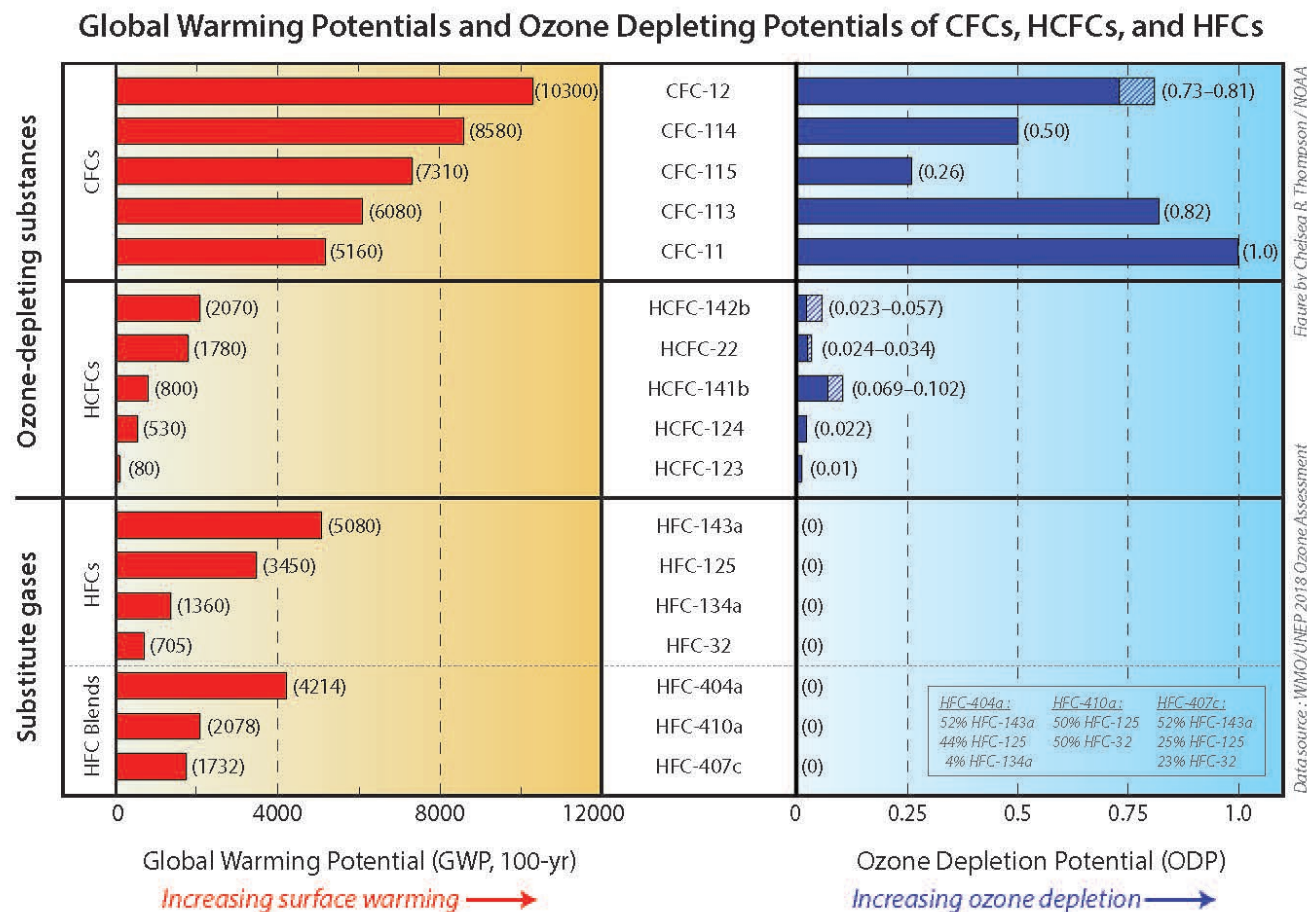
Overview of the AIM Act

CINDY NEWBERG

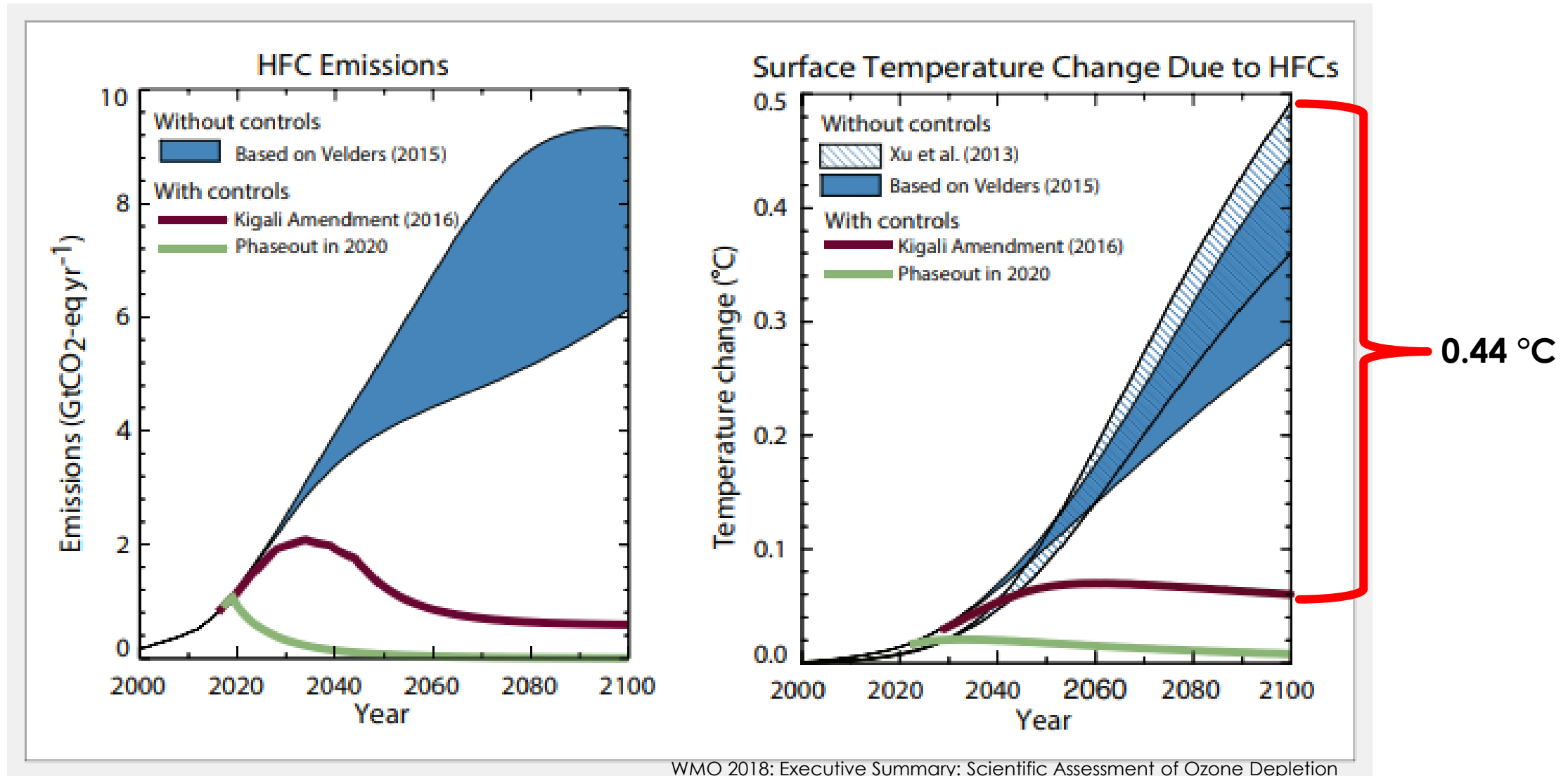
DIRECTOR,
STRATOSPHERIC
PROTECTION DIVISION
(SPD)

Hydrofluorocarbons (HFCs)

- ▶ HFCs are used as replacements for ozone-depleting substances (ODS) in sectors including refrigeration, air conditioning, foam blowing, and fire suppression
- ▶ HFCs are potent greenhouse gases with global warming potentials (GWPs) hundreds to thousands of times higher than carbon dioxide (CO₂)
- ▶ HFC use is growing rapidly worldwide



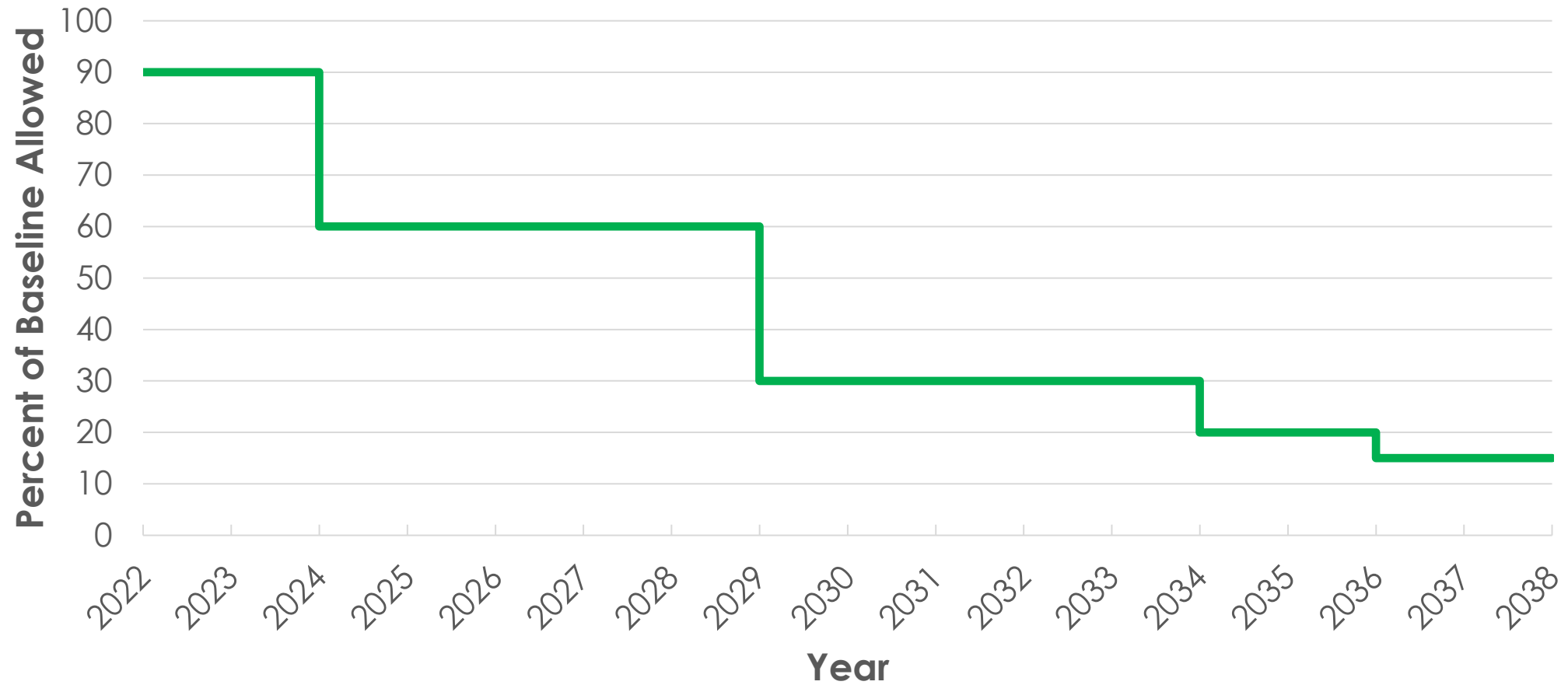
A global HFC phasedown is expected to avoid up to 0.5°C of global warming by 2100



The American Innovation & Manufacturing (AIM) Act

- ▶ The AIM Act establishes three main types of regulatory programs:
 - ▶ Phase down HFC production and consumption
 - ▶ Facilitate transition to next-generation technologies
 - ▶ Management of HFCs
- ▶ Certain provisions are similar to provisions in CAA Title VI but there are clear differences including:
 - ▶ Includes a limited state pre-emption clause
 - ▶ Provides for small business technology grants

HFC Phasedown Schedule



HFC Phasedown Schedule

- ▶ Important 2021 statutory deadlines:
 - ▶ 270 days after enactment EPA to issue phasedown regulations = **September 23**
 - ▶ **210 days** from today
 - ▶ **By October 1st** allocate allowances for 2022

Date	Caps: Consumption & Production
2022–2023	90 percent
2024–2028	60 percent
2029–2033	30 percent
2034–2035	20 percent
2036 & after	15 percent

HFC Phasedown Allocation Rulemaking

- ▶ Rule will stand up Allocation program
- ▶ Provide the methodology for distributing allowances
- ▶ Account for application-specific allowances listed in the Act:
 - ▶ metered dose inhalers
 - ▶ defense sprays
 - ▶ structural composite foam for marine & trailer use
 - ▶ etching of semiconductor material or wafers & cleaning
 - ▶ mission-critical military needs
 - ▶ on board aerospace fire suppression

Next Generation Technologies

- ▶ EPA authorized to restrict use of HFCs on a sector or subsector basis to support transition to next-generation technologies
- ▶ EPA must consider using negotiated rulemakings
 - ▶ If not using negotiated rulemaking, EPA must publish explanation
- ▶ Specified timelines:
 - ▶ grant or deny petitions within 180 days
 - ▶ promulgate final rules within 2 years from granting a petition

Management of HFCs

- ▶ EPA will establish a program for maximizing reclamation & minimizing releases of HFCs and their substitutes from equipment, and ensuring safety of technicians & consumers
 - ▶ Establish regulations to control, where appropriate, practices, processes, or activities regarding the servicing, repair, disposal, or installation of equipment
 - ▶ Consider using authority to increase opportunities for reclaiming HFC refrigerants
- ▶ EPA may coordinate with any other similar regulations (e.g., CAA 608 regulations)
- ▶ Subject to appropriations, EPA shall establish a grant program for small businesses for purchase of recycling, recovery, or reclamation equipment for HFC substitutes (e.g., HFO-1234yf), including for servicing motor vehicle air conditioners

First Actions: Notice of Data Availability (NODA)

- ▶ NODA published 2/11/21; comments due 2/25/21
- ▶ Provided information on HFC production and consumption between 2011 and 2013 as reported to the GHGRP
- ▶ Identified potential data gaps and requested comments on areas of additional information
- ▶ Provided preliminary information on HFCs for some of the specific applications allowed under the AIM Act for allocations
 - ▶ metered dose inhalers
 - ▶ defense sprays
 - ▶ structural composite foam for marine & trailer use
 - ▶ etching of semiconductor material or wafers & cleaning
 - ▶ onboard aerospace fire suppression
- ▶ Data will inform the establishment of U.S. HFC baselines for production and consumption

First Actions: HFC Phasedown Allocation Rulemaking

- ▶ NPRM allocation rule
- ▶ Fast tracked, planned signature late April/Early May
 - ▶ Planning for a 45-day comment period
- ▶ Rule will stand up Allocation program and list entities receiving and methodology for distributing allowances
 - ▶ Amounts of application-specific allocations to be issued
- ▶ EPA will issue a benefits-costs analysis and other technical support documents

Sector Workshops

- ▶ When: Starting in Mid-March
- ▶ Location: virtual meeting through Microsoft Teams
- ▶ First sector workshops (1-hr each)
 - ▶ Metered dose inhalers
 - ▶ Defense sprays
 - ▶ Structural composite foam for marine & trailer use
 - ▶ Etching of semiconductor material or wafers & cleaning
 - ▶ On board aerospace fire suppression
- ▶ Additional workshops for other sectors end-uses (e.g., air-conditioning and refrigeration) will be scheduled in the coming months

Stakeholder Remarks

Questions & Answers

Reminders

- ▶ Unless called to speak, please keep your speaker on **MUTE**
- ▶ 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

Closing Remarks & Next Steps