June 8, 2021

Joshua Shodeinde
United States Environmental Protection Agency
Stratospheric Protection Division
1200 Pennsylvania Avenue, NW
Washington, D.C. 20460

Subject: Notice of Data Availability Relevant to Petition Submissions Under the American Innovation and Manufacturing Act of 2020, EPA-HQ-OAR-2021-0289

Dear Mr. Shodeinde,

The Alliance for Automotive Innovation (Auto Innovators)[1] appreciates the opportunity to provide comments to the U.S. Environmental Protection Agency (EPA) on the Notice of Data Availability regarding petitions submitted to EPA relating to the American Innovation and Manufacturing Act of 2020 (AIM Act). We thank EPA staff for their open dialogue and robust public engagement process as the agency works to implement the provisions of the AIM Act. Specifically, we would like to address the Natural Resources Defense Council (NRDC) petition to reinstate SNAP Rules 20 & 21,[2] which calls for prohibiting the use of HFC-134a as a refrigerant in new light-duty vehicles by January 1, 2023 with a limited exception for certain exports. Directionally, the NRDC petition aligns with the auto industry's ongoing phaseout of HFC refrigerant use in new light-duty vehicles. However, we have serious concerns with the implementation timing called for in the petition.

The regulations that EPA will establish pursuant to Congressional direction in the AIM Act will set the framework for reducing greenhouse gas (GHG) emissions associated with the use of HFCs. We are

[1] Formed in 2020, the Alliance for Automotive Innovation is the singular, authoritative and respected voice of the automotive industry. Focused on creating a safe and transformative path for sustainable industry growth, the Alliance for Automotive Innovation represents the manufacturers producing nearly 99 percent of cars and light trucks sold in the U.S. The organization, a combination of the Association of Global Automakers and the Alliance of Automobile Manufacturers, is directly involved in regulatory and policy matters impacting the light-duty vehicle market across the country. Members include motor vehicle manufacturers, original equipment suppliers, technology and other automotive-related companies and trade associations. The Alliance for Automotive Innovation is headquartered in Washington, DC, with offices in Detroit, MI and Sacramento, CA. For more information, visit our website http://www.autosinnovate.org.

[2] Natural Resources Defense Council *et al.*, Petition to Reinstate HFC Prohibitions from SNAP Rules 20 & 21 Under the AIM Act (Apr 13, 2021), Docket No. EPA-HQ-OAR-0289-0007.

committed to working cooperatively and constructively with EPA to consider more appropriate timeframes and ensure vehicles developed and produced are compliant with the finalized regulations.

Phaseout Timeline

Virtually all Auto Innovators member companies are phasing out the use of HFC-134a refrigerant, and are instead adopting lower global warming potential alternatives, such as HFO-1234yf. In model year 2019, 74% of new light-duty vehicles (LDVs) sold within the United States have air conditioning systems operating on HFO-1234yf.[3] While the auto industry has made great strides in phasing out HFC refrigerants to date, there is still work that needs to be done before a complete phaseout becomes a reality. Automakers face a number of challenges in transitioning from one air conditioning refrigerant to another. These are not drop-in substitutes; manufacturers need to change air conditioning systems and control designs, as well as retrofitting manufacturing plants.

We therefore have concerns regarding the petitioned reimplementation of SNAP Rule 20. While automakers are already transitioning out of HFC refrigerant uses, the January 1, 2023 deadline proposed by NRDC would create an unreasonable burden on manufacturers who have yet to completely phase out HFC refrigerants. The January 1, 2023 deadline as proposed by NRDC in mid-2021,[4] in the middle of the 2022 model year (MY), does not sufficiently consider the aforementioned challenges that exist. The engineering redesign and implementation necessary to switch to HFO-1234yf can take several years, and is best aligned with a company's model redesign schedule.

Therefore, Auto Innovators urges EPA, should it establish a phaseout deadline for motor vehicle uses of HFC refrigerant, to consider and better align with manufacturing capabilities, timelines, and necessary lead time considerations. This approach will require cooperation between EPA and industry stakeholders to determine a phaseout schedule appropriate to the remaining uses in new vehicles. Additionally, with the California Air Resources Board (CARB) announcing their own intent to propose a HFC phasedown schedule, we request that EPA and CARB work together and harmonize their phasedown timing for LDVs.

Exports

The NRDC petition also voices its support for banning exports of new LDVs containing HFC-134a by January 1, 2023, unless the importing country does not have adequate servicing infrastructure to support vehicles with HFO-1234yf.[5] Exports to countries without the adequate infrastructure are

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[3] EPA 2020 Automotive Trends Report, Section 5 Figures, Figure 5.8, *available at* https://nepis.epa.gov/Exe/ZyPDF.cgi?Dockey=P1010U68.pdf

[4] Petition to Reinstate HFC Prohibitions from SNAP Rules 20 & 21 Under the AIM Act, *supra* note 2.

[5] Petition to Reinstate HFC Prohibitions from SNAP Rules 20 & 21 Under the AIM Act, *supra* note 2.

suggested to have an extended deadline no later than MY 2025.[6] Auto Innovators does not support this deadline and requests further consideration of that proposed timeline. Exports to foreign countries should not be halted on an arbitrary deadline; rather, they should be permitted until those countries have established their own regulations to comply with the Kigali Amendment and have the infrastructure to support replacement refrigerants. Many importing markets are Article 5 parties that will not begin phasing down HFCs until 2029 or 2032. While earlier dates may be feasible, updating infrastructure to support alternative refrigerants in certain countries that currently rely on R-134a for vehicle air conditioning systems requires time and resources. Therefore, it is not feasible to establish an export ban timeline without further consideration and cooperation with industry and government stakeholders.

Conclusion

Auto Innovators is concerned about the proposals contained in the NRDC petition. Automakers have taken significant and proactive steps toward the goal of phasing out HFCs. Reinstating the SNAP 20 & 21 Rules as petitioned for by NRDC would create an unnecessary burden because of the unfeasible suggested timelines. Should EPA undertake any rulemaking in this space, we encourage the agency to address the matters laid out in this letter and look forward to continuing cooperation between Auto Innovators and EPA on this issue.

If you have any questions or need further information, please feel free to reach out to Michael Watson at MWatson@autosinnovate.org.

[6] *Id.*