



TESTIMONY OF
THE AIR-CONDITIONING, HEATING, AND REFRIGERATION INSTITUTE

BEFORE THE OREGON STATE LEGISLATURE
HOUSE COMMITTEE ON ENERGY AND ENVIRONMENT

HEARING ON HB 4024

FEBRUARY 6, 2020

Chair Power and members of the House Committee on Energy and Environment, thank you for allowing the Air-Conditioning, Heating, and Refrigeration Institute (AHRI) to submit written testimony with respect to House Bill 4024 (HB 4024) and its intent to reduce greenhouse gas emissions from hydrofluorocarbons (HFCs).

AHRI represents more than 300 manufacturers of air conditioning, heating, and commercial refrigeration equipment. It is an internationally recognized advocate for the HVACR industry and certifies the performance of many of the products manufactured by its members. In North America, the annual economic activity resulting from the HVACR industry is approximately \$256 billion. In the United States alone, AHRI members companies, along with distributors, contractors, and technicians employ more than 1.3 million people.

AHRI has been actively engaged with rulemakings and legislation at the international, federal, and state levels supporting the reduction of HFC emissions from stationary air conditioning and refrigeration systems. While industry would prefer to see a federal initiative address low global warming potential refrigerants, AHRI will continue to provide technical expertise and practical solutions to states that have announced an intent to regulate HFC emissions.

It is our goal that through providing technical feedback and industry expertise we can help states, including Oregon, adopt and implement laws and regulations that achieve the objectives stated in HB 4024 – to transition Oregon from HFCs to replacement refrigerants that have lower global warming potential and that pose lower overall risks to human health and the environment.

AHRI generally supports adoption of EPA’s Significant New Alternatives Policy (SNAP) Program Rules 20 and 21, a foundational piece of HB 4024. **However, we respectfully request the legislation be amended to include the following two minor modifications that will allow equipment manufacturers to reasonably comply with the bill’s requirements.**

- 1. To provide better clarity for manufacturers and distributors, and to allow for workable administrative controls, amend the language in Section 3(4) to read as follows:**

The commission shall adopt rules requiring manufacturers to disclose the substitutes used in their products or equipment. The commission shall recognize any one of the following as providing sufficient disclosure of the use of substitutes in the product or equipment:

- (a) Labeling of products and equipment;
- (b) Submitting information to the Department of Environmental Quality;
- (c) Disclosure of products containing substitutes to the buyer of those products; or
- (d) labels and disclosure required by state building codes and other safety standards.

2. **Delay the compliance deadline for the products and equipment listed in Section 3(2)(a) until January 1, 2022, to ensure that our manufacturers have sufficient time to prepare for, and ensure compliance with, Oregon's regulations.**

Also, of note, **AHRI would like to specifically mention our industry's very strong support for Section 4, which directs the Oregon Department of Consumer and Business Services to amend the state building code as necessary to align the requirements for the use of certain equipment or products with the prohibitions and requirements for the use of HFCs or other substitutes in those equipment or products.** Maintaining this language is critical, as the adoption of appropriate safety standards into building codes must be completed to enable the lower global warming potential solutions needed to comply with the legislation. Large commercial chiller systems, in particular, will require the adoption of new consensus safety standards into Oregon's building codes to comply with this legislation.

We hope this is the start of an ongoing conversation between the Oregon State Legislature and AHRI. We believe that AHRI can provide helpful recommendations during the legislative -- and subsequent regulatory -- process that are technically feasible, allow for market certainty, and benefit consumers and the industries that serve them, while still positively impacting the environment without imposing an undue burden on manufacturers.

Thank you for the opportunity to submit testimony for this hearing. AHRI looks forward to working with Chair Power and the Oregon Legislature, so we can be partners in supporting and achieving the phase down of high-global warming potential HFCs.