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TESTIMONY OF HELEN WALTER-TERRINONI VICE PRESIDENT OF REGULATORY AFFAIRS

ON BEHALF OF THE AIR-CONDITIONING, HEATING, AND REFRIGERATION INSTITUTE

BEFORE THE NEW JERSEY STATE ASSEMBLY ENVIRONMENT AND SOLID WASTE COMMITTEE

HEARING ON A 5583

DECEMBER 9, 2019

Good afternoon Chairwoman Pinkin and members of the Assembly Environment and Solid Waste Committee. My name is Helen Walter-Terrinoni and I am Vice President of Regulatory Affairs for the Air-Conditioning, Heating, and Refrigeration Institute (AHRI). Thank you for allowing me to speak with you today about Assembly Bill 5583 (A 5583) and its efforts to reduce greenhouse gas emissions from hydrofluorocarbons (HFCs).

AHRI represents more than 300 manufacturers of air-conditioning, heating and commercial refrigeration equipment and over 90% of the heating, ventilation, air conditioning, and refrigeration (HVACR) markets. 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 output of the HVACR industry is worth more than \$20 billion. In the United States alone, AHRI members employ approximately 130,000 people and support another 800,000 dealers, contractors, and technicians nationwide.

For more than a decade, AHRI has been working around the world to support regulations to reduce consumption and production of HFCs. AHRI **would like to strongly** support A 5583 and as an industry we look forward to working together to achieve the objectives stated in the legislation – to transition New Jersey from HFCs to replacement refrigerants that have a lower global warming potential and that pose lower overall risks to human health and the environment.

Unfortunately, the legislation, as written, fails to enable lower global warming potential refrigerants to replace the substances banned in the legislation as well as refrigerants that may be banned in the future due to conflicts with the New Jersey state building code. Some specific examples are commercial refrigeration bans in EPA Significant New Alternatives Policy (SNAP) Program Rules 20 and 21 which will require the use of refrigerants that are not allowed per the New Jersey mechanical subcode (Chapter 11).

The New Jersey mechanical subcode defines acceptable refrigerants as those listed by the EPA, pursuant to the SNAP Program. AHRI supports this provision and believes that this is a reasonable requirement under normal circumstances. However, the EPA listing process has become complicated due to litigation that struck down EPA SNAP Rules 20 and 21. Although submissions for medium global warming potential refrigerants for commercial refrigeration have continued to be made, they are not now, and may never be, listed as acceptable substitutes in the *Federal Register*.. In addition, some SNAP-listed substitutes for chillers require the building codes be updated to enable their usage.

To address this issue, we respectfully request the following language which requires the New Jersey Division of Codes and Standards to adopt rules to enable low global warming potential solutions be added into the legislation to ensure that manufacturers and end-users can comply with its requirements.

"The New Jersey Division of Codes and Standards shall adopt rules to permit the use of substitutes not prohibited under section 2 of this act and that do not require the use of substitutes that are restricted under section 2 of this act."

The legislation provides authority to the Department of Environmental Protection (DEP) to list refrigerants, but without this amendment, any substitutes approved by DEP will be negated by the existing New Jersey mechanical subcode. AHRI strongly believes adding this language will resolve this conflict and will provide original equipment manufacturers with the certainty necessary to finalize equipment design, test, certify, and field-test equipment as part of this transition.

Thank you for the opportunity to present testimony at this hearing. AHRI looks forward to continuing to work with Chair Pinkin, the New Jersey Legislature, and the Department of Environmental Protection to support and achieve the phasedown of high global warming HFCs in the State of New Jersey.