



February 3, 2012

Air and Radiation Docket and Information Center
U.S. Environmental Protection Agency
Mail Code 6102T
1200 Pennsylvania Ave., NW
Washington, DC 20460

Re: EPA Proposed Rule on Protection of Stratospheric Ozone: Adjustments to the Allowance System for Controlling HCFC Production, Import, and Export (Docket ID No. EPA-HQ-OAR-2011-0354)

Dear Sir/Madam:

These comments are submitted by the Air-Conditioning, Heating and Refrigeration Institute (AHRI) in response to the U.S. Environmental Protection Agency's (EPA) notice of proposed rulemaking appearing in the Federal Register on January 4, 2012 (77FR237) proposing adjustments to the allowance system for controlling HCFC production, import, and export.

AHRI is the trade association representing manufacturers of heating, cooling, water heating, and commercial refrigeration equipment. More than 300 members strong, AHRI is an internationally recognized advocate for the industry, and develops standards for and certifies the performance of many of the products manufactured by our members. In North America, the annual output of the HVACR industry is worth more than \$20 billion. In the United States alone, our members employ approximately 130,000 people, and support some 800,000 dealers and contractors.

AHRI members endorsed EPA stated objectives outlined in the 2009 Final Rule and are fully supportive of a regulatory environment that would achieve an orderly phase out of HCFC-22 while ensuring the development of a vibrant reclamation industry. Unfortunately, there is plenty of evidence that the supply of HCFC-22 has exceeded the demand for the period 2010-2011 and that the stated objectives of the EPA 2009 Final Rule are being compromised. Therefore, AHRI supports EPA's efforts to adjust the consumption allowances for HCFC-22.

It is clear that the stated goal of 20 percent recycling and reclamation set by EPA in the 2009 Final Rule has not been realized. In fact, feedback from reclaimers indicates that reclamation of HCFC-22 has declined since the publication of the

2009 Final Rule. There are many factors that contributed to this decline, including the severe economic downturn that the HVAC industry went through over the past two years. However, the main factor has been the excess supply of virgin HCFC-22.

AHRI believes that EPA underestimated the amount of reclaimed HCFC-22 refrigerant in the 2009 final rule. Based on discussions with our members, we feel confident that the industry is capable of reclaiming HCFC-22 well in excess of the 12,500 MT assumed by EPA. As such, we strongly encourage EPA to consider this updated reclamation supply estimate in its final HCFC-22 allocation decision. We also support the surplus inventory drawdown and the servicing demand met by recovered HCFC-22 in large retail food equipment that EPA proposed to reduce the overall servicing demand for HCFC-22. Finally, AHRI urges EPA to finalize the rulemaking as soon as practically feasible. It is very important that the allowances for 2012 be set as quickly as possible to avoid uncertainty and restore confidence in the marketplace.

AHRI appreciates the opportunity to provide these comments. If you have any questions regarding this submission, please do not hesitate to contact me.

Sincerely,



Karim Amrane
Vice President, Regulatory & Research
Tel: 703/524-8800 ext.307
Email: kamrane@ahrinet.org