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Feedback to Department of the Environment –

Industry discussion paper on proposed phase-down of HFCs

Industry Consultation

Submitted to:

The Department of the environment

By

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AIRAH Submission

This submission is in response to the Australian Government Department of the Environment consultation through the Industry discussion paper on proposed phase-down of HFCs.

About AIRAH

The Australian Institute of Refrigeration, Air Conditioning and Heating (AIRAH) is an independent, specialist, not-for-profit technical organisation providing leadership in the HVAC&R sector through collaboration, engagement and professional development. AIRAH works with all sectors of the industry and all levels of Government as a trusted partner in HVAC&R related issues.

The Institute's mission is to lead, promote, represent and support the HVAC and related services industry, and membership. The Institute produces a variety of publications and communications aimed at championing the highest of industry standards. AIRAH encourages world's best practice within the industry, and has forged a reputation for developing the competency and skills of industry practitioners at all levels.

The top five AIRAH strategic issues for HVACR in 2016 are:

- Resilience;
- Compliance;
- Sustainability;
- Innovation; and
- Refrigerant transition.

About PRIME

PRIME is an initiative that has been developed by a coalition of stakeholders from within the Australian Heating, Ventilation, Air Conditioning, and Refrigeration (HVAC&R) industry. The industry has been under significant pressure to help reduce the environmental impact of HVAC&R. Key stakeholders have taken a step back and spent some time evaluating exactly what needs to be done to develop low-emission solutions for the essential HVAC&R services that modern Australian society depends upon.

PRIME stands for the five pathways to transition: Professionalism, Regulation, Information, Measurement, and Emission abatement. The PRIME steering council vision is to have an *"Australian HVAC&R industry that is highly skilled and professional, safe, cost-effective and environmentally effective."*

Proposed Baseline Calculation

AIRAH agree that the North American, EU and Islands proposals appear acceptable and achievable for Australia.

On the face of it the North American proposal seems the most suitable for Australia.

The phase-down schedule

AIRAH agree that the first control step should be no sooner than 2019 to give industry time to prepare and raise awareness.

AIRAH suggest that Australia should support an ambitious phase-down schedule, within the capabilities of the industry to achieve.

AIRAH agree with a 15% residual, but would also accept 10% if an analysis shows that the industry can achieve this, noting that not all applications have low GWP options available.

AIRAH support the concept of a 2020 technology review

AIRAH note that the Australian government has already committed to a domestic national phase-down program and suggest that the national program should be fast tracked and calibrated to exceed the North American, EU and Islands proposals. Australia has already committed to this phase-down approach and AIRAH see no benefit in delaying due to international negotiations. The Australian Industry will benefit from acknowledging and tackling this issue sooner rather than later.

Embarking on a national domestic phase-down program without delay will help to provide certainty to industry and also provide global leadership.

Exemptions from phase down

If a residual of 15% is accepted then AIRAH see no compelling reasons for introducing exemptions.

Other issues

Some of the biggest issues facing the Australian industry are:

Communications: Industry practitioners need to understand that HFC phase-down is now a reality and the implications of that policy. This is true for technical service providers but also for the owners, procurers, specifiers and designers who all need to move towards low GWP based refrigeration systems.

Technical competency: When designing, installing and maintaining systems with low GWP refrigerants; this includes Low GWP natural refrigerants (CO₂, HC, NH₃), fourth generation HFOs, and reduced GWP Refrigerant blends. Working with these refrigerants requires different design, installation knowledge and refrigerant handling skills, technical competencies that are not widely available within the current skilled workforce.

Licensing systems: The lack of a nationally coherent licensing system and competency requirements that cater for flammable and toxic non SGG/ODP refrigerants is a significant issue. As the use of HFC reduces the relevance of the current ARCTick licensing system also reduces and the growth of alternative (non SGG) refrigerants increases.

Future: The Australian industry has the capacity to make the transition to low GWP based refrigeration and air conditioning but needs as much lead time as possible. Information and communication is the key. Government plans for the mechanisms to drive and support the phase-down HFC use in Australia need to be developed in an open and transparent collaborative environment and communicated to the industry as soon as possible.

Responsibilities: The HFC phase down is in response to national and international failures of the market to address the environmental impact of refrigerants. AIRAH feel that the arrangements for the training and up-skilling of existing technical service providers, to embrace low GWP refrigerant use, are the responsibility of both industry and government.

PRIME: PRIME is an all of industry stakeholder group developed by the HVAC&R sector and related stakeholders to help guide the industry in its transition to low-emission future. AIRAH believe that PRIME would provide an ideal consultation platform for the Department to use moving forward into the design of the Australian HFC phase-down arrangements.

End of submission