



**Australian Government**  
**Department of the Environment**

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# **AIRAH Refrigerants Update – controls on refrigerants**

**Speaker: Patrick McInerney**



*Stratospheric clouds above Davis Station, Antarctica*

# Key points of presentation

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- Outlook for refrigerants
- Phase-out of HCFCs (hydrochlorofluorocarbons)
- Other international developments – moves to phase-down HFCs (hydrofluorocarbons)
- Review of the ozone protection and synthetic greenhouse gas legislation
- Repeal of the equivalent carbon tax on synthetic greenhouse gases

# Outlook for refrigerants

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## ■ Ozone depleting refrigerants

- No imports of HCFCs after 2029
- Bank of CFC refrigerants gone by 2020
- Bank of HCFC largely gone by 2030

## ■ Synthetic gas refrigerants

- High GWP HFCs progressively reduced
- Replaced by lower GWP HFCs, HFOs, naturals, blends and not-in-kind technology
- Large but decreasing bank of high GWP HFCs remains by 2030

# Australia's phase-out of HCFCs

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- Government and industry agreed an accelerated phase-out in the early 1990s
- Government set the speed and phase-out steps through the Ozone legislation
- Industry has determined how the phase-out will occur
- Current import limits are 10 ODP (Ozone Depleting Potential) tonnes a year in 2014 and 2015 – around 180 tonnes of R22
- Limit reduces to 2.5 ODP tonnes a year from 2016 to 2029
  - around 45 tonnes of R22
  - **only** for servicing existing RAC equipment
- Zero imports from 2030

# Import and manufacture of HCFC equipment

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- Import and manufacture of refrigeration and air conditioning equipment containing HCFC refrigerant banned since 2010, with some exemptions until 30 June 2015:
  - refrigeration equipment
  - HCFC-123 systems
  - replacement parts and replacement of existing high static systems
  - Some exemptions may be extended
- There are no requirements to replace existing systems

# Used HCFCs

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- Policy is **not** to be approve import used HCFCs unless exceptional circumstances are demonstrated
- HCFCs already imported into Australia can continue to be used
- Recovered refrigerant that is suspected of being contaminated or is to be used in another system must be tested to ensure it conforms with AHRI-700 2004 (AS1677.2)
- Some wholesalers test recovered refrigerants
- At least one business can distil refrigerant to bring it back to specification
- Check with your refrigerant supplier

# Proposed international phase-down of HFCs

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- Proposal to phase-down HFCs under Montreal Protocol
- Avoid a phase in of high Global Warming Potential HFCs
- Montreal Protocol has the skills and track record to manage a progressive phase-down
- Amendment proposals made each year since 2009
- Current proposal is for 85% phase-down by 2035
- Negotiations will continue at Montreal Meeting in November 2014
- Further political pressure being applied to key countries to agree to commence negotiations

# Australia's position on a HFC phase-down

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- Supports international agreement on a phase-down
- Australia well placed to manage a phase-down
- Government and industry analysis shows that change to lower GWP refrigerants already occurring
- Study by Expert Group commissioned by the Department shows that Australia can meet the phase-down
  - Changes to technology already underway
  - <http://www.environment.gov.au/protection/ozone/publications/hfc-consumption-australia-2013>



# Review of the Ozone Protection and Synthetic Greenhouse legislation

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- The Environment Minister, Greg Hunt, announced the review on 23 May 2014
- The objectives of the review are to:
  - identify opportunities to improve and streamline the operation of the Ozone Acts including reducing regulatory compliance costs for business and the community
  - identify opportunities to reduce emissions of ODS and SGGs in line with international efforts
- Work with industry and state governments to improve awareness of health and safety risks

# Review of the ozone legislation - submissions

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- 29 public submissions received
- Main issues raised:
  - Phase-down of HFCs
  - Extend coverage to all refrigerants
  - Increased compliance and enforcement
  - Streamline licensing, including renewal and licence length
  - Ban on some high GWP gases in some equipment
  - Equipment owners to be responsible including maintenance, leak testing and end of life disposal

## Review of the legislation – next steps

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- Technical Working Group formed to advise the department on issues raised in the review
  - 11 members
  - mainly refrigeration and air conditioning
  - other stakeholders will be consulted on specific issues
- Interim report to be completed in late 2014
- Interim report will be available for public comment
- Final report to be provided to the Government in mid 2015

# Repeal of the equivalent carbon tax

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- The equivalent carbon tax on synthetic greenhouse gases has been repealed effective from 1 July 2014
- Synthetic greenhouse gases, including HFCs, imported from 1 July 2014 will not have the carbon tax applied
- The Australian Competition and Consumer Commission (ACCC) will monitor and enforce reasonably expected price reductions across key sectors of the economy, particularly the electricity, gas and synthetic greenhouse gas sectors.
- Prices may not go down immediately as some suppliers may still have gas stocks where the carbon price has been paid
- Shop around!

## More information

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- On the phase-out of R22:  
Fact sheet located on the departments website:  
<http://www.environment.gov.au/protection/ozone/publications>
- On the Montreal Protocol:  
[www.environment.gov.au/atmosphere/ozone/legislation/montp.html](http://www.environment.gov.au/atmosphere/ozone/legislation/montp.html)
- On the review of the review of the Ozone Legislation  
<http://www.environment.gov.au/ozone-acts-review>

# Questions?

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- Email: [ozone@environment.gov.au](mailto:ozone@environment.gov.au)
- Free call: 1800 803 772
- To subscribe for updates on the Ozone Act review, visit the department's website at:  
<http://www.environment.gov.au/ozone-acts-review>