# Ozone Depleting Substances Technical Working Group

Meeting #2: April 23rd



# Agenda – Meeting #2

- Regulatory context
- Topic #1 Update GWP values
- Topic #2 Revise 10 year emissions rates for refrigerants
- Topic #3 Revise 10 year emissions rates for foams
- Wrap up and next steps
  - Next meeting: May 17<sup>th</sup>
- Public comment opportunity



### Zoom tips and tricks



Panelists please keep yourself muted unless you're speaking.



Please rename yourself with your affiliation: Click on 'Participants,' hover over your name Click 'More' then 'Rename.'



For panelists please keep your video on as bandwidth allows.

#### **Reminder: Role of this Working Group**

- This working group is not tasked with making consensus recommendations changes to Ecology rule or adopted protocols
- Ecology will consider multiple sources and perspectives, including the input collected through this working group, when deciding how to proceed with changes to this protocol
- Input provided by working group members, even if unanimous, should not be considered an indicator of the changes Ecology may or may not make

#### **Regulatory Context**

- Offset projects must:
  - Result in greenhouse gas reductions or removals that:
    - Are real, permanent, quantifiable, verifiable, and enforceable; and
    - Are in addition to greenhouse gas emission reductions or removals otherwise required by law and other greenhouse gas emission reductions or removals that would otherwise occur; (RCW 70A.65.170)

#### **Regulatory Context: Project Baselines**

 "Project baseline" means, in the context of a specific offset project, a conservative estimate of business-as-usual GHG emission reductions or GHG removal enhancements for the offset project's GHG emission sources, GHG sinks, or GHG reservoirs within the offset project boundary. (WAC 173-446-020)

# Washington's HFC Regulations (RCW 70A.60; WAC 173-443)

- Prohibits use of specific HFC's (WAC 173-443-040) in new products and equipment, with some exemptions (WAC 173-443-050)
- Requires owner/operator registration of systems over specific charge and GWP thresholds (WAC 173-443-115)
- Leak inspections are required for systems over full charge and GWP thresholds (WAC 173-443-155)
  - Maximum leak rates:
    - 16% for retail food refrigeration/cold storage
    - 24% for industrial process refrigeration
    - 8% for air conditioning

#### **Direct Environmental Benefits (DEBs)**

- All Offsets issued by Ecology must provide Direct Environmental Benefits to the State (RCW 70A.65.170(2)(a))
- All in-state projects are considered to provide DEBs to the State
- Out-of-state projects may apply to Ecology to receive DEBs designation, as in California's market
- ODS projects are considered to provide DEBs to the state of Washington if a portion of destroyed material are sourced from within Washington state

## Environmental Justice – in CCA Offsets Program

- In CCA offsets are "under the cap"
  - The number of offsets used in the program is subtracted from the number of available allowances in the following year to ensure attainment of emissions targets
- Ecology has the authority to reduce offset usage limits for entities that contribute significantly to the cumulative air pollution burden in overburdened communities
- To maximize offset use, entities must source a portion of their offsets used for compliance from projects on Tribal lands
- Offset projects must demonstrate to Ecology that they will not incur significant adverse environmental impacts after mitigation

## Environmental Justice – in Rulemaking Process

- An Environmental Justice Assessment (EJA) will be completed as part of this rulemaking process
- In addition to topic specific technical working groups Ecology will convene an Environmental Justice Working Group to inform the EJA and rulemaking decisions
- Any rule changes will be proposed in coordination with the Environmental Justice Council (RCW 70A.65.040(2)(a)(i))



• Questions/comments/clarifications?

#### Structure of meeting

- Ecology will briefly present topic
- Ecology will ask for any additional context, considerations, or clarification related to the topic
- Ecology will pose discussion questions to working group members
- After the meeting Ecology will distribute a very brief survey to quantitatively capture working group member input on each topic



#### **Topic: Update GWP values to AR5**

- Current: Protocol uses IPCC AR4 GWP values
- Considered change: Use IPCC AR5 (as used in ACR and Verra protocols)
  - GWP values were largely revised slightly down for relevant gases from AR4 to AR5
- Alternatives:
  - Consider adopting a schedule for updating these values to AR6 values
  - Consider retaining IPCC AR4 values to retain alignment with EPA Reporting values
  - Consider adopting Ecology's GWP values in HFC regulation, which are a combination of AR4 and AR5

#### **Ecology's adopted GWP values**

- In Washington's HFC Rule (WAC 173-443)
  - "Global warming potential," "GWP," "global warming potential value," or "GWP value" means 100-year GWP value as it appears in WAC <u>173-441-040</u>, and if not contained in WAC <u>173-441-040</u>, then the GWP value means the 100-year GWP value published by the Intergovernmental Panel on Climate Change (IPCC) in its Fifth Assessment Working Group 1 Report (AR5) (IPCC, 2013).
  - WAC 173-441-040 doesn't provide values for HCFC's and CFC's, so for the purposes of WAC 173-443 AR5 values would be used for these substances
  - HFC's are included in WAC 173-441-040, and reflect AR4 values

#### **GWP Values in 2014 ODS Protocol**

ODS Refrigerants	AR4 (Current)	AR5	Percent Change
CFC-11	4,750	4,663	-1.8%
CFC-12	10,900	10,239	-6.1%
CFC-13	14,400	13,893	-3.5%
CFC-113	6,130	5,824	-5%
CFC-114	10,000	8,592	-14.1%
CFC-115	7,370	7,665	+4.0%

## **GWP** Values

ODS Foams	AR4 (Current)	AR5	Percent Change
CFC-11	4,750	4,663	-1.8%
CFC-12	10,900	10,239	-6.1%
HCFC-22	1,810	1,764	-2.5%
HCFC-141b	725	782	+7.9%

#### **GWP Value Sources**

- Sources for this change:
  - ACR ODS 2.0
  - VERRA VM0016 (adopted in VCS Standard 4.5)
  - CARB 2021 Taskforce report

#### Change logistics: Topic 1

- Updating these values would require a change to table B.1 and B.2 of the adopted protocol
- Substitute emissions factor may also need to be updated
  - Calculations for substitute emissions are listed in CAR 2.0
    protocol
- If a scheduled update to AR6 values is adopted additional changes will be required

#### **Discussion: Topic 1 Context**

• What additional context or considerations related to this topic should Ecology be aware of?

#### **Discussion: Topic 1 AR4 to AR5**

- Should Ecology adopt AR5 GWP values? Why or why not?
  - Are there any cases where AR5 values for specific substances or categories of substances should *not* be adopted?
- Should Ecology include a scheduled conversion to AR6 values?

#### **Discussion: Topic 1 Programmatic Goals**

- Does this change contribute to Ecology's programmatic goals of this rulemaking:
  - Reflect advances in policy and scientific understanding
  - Remove unnecessary project development barriers, inefficiencies, and exclusions
  - Increase methodological rigor



#### **Revise 10 year emissions rates - <u>refrigerants</u>**

- Current: Offsets are credited based on estimated 10 year emissions of ODS, absent destruction
- Considered change: Revise 10 year emissions rates to reflect more recent data
- Alternatives:
  - Use alternative source(s) to calculate 10 year emissions rates of ODS

#### **10-year Cumulative Emissions Values - equation**

(GWP of ODS Destroyed x 10-year cumulative emissions rate)

- Project emissions

= Offsets Issued

Example:

(10,000 CO2e CFC-11 x <u>89%</u>)

- 500 CO2e Project Emissions

=8,400 Offsets Issued

## 10-year Cumulative Emissions Values - Vintaging Model

- Values of refrigerants are based on leak rate outputs of EPA's Vintaging Model
  - Vintaging model is not publicly available, but appears to have been updated in 2018 (or more recently)
- EPA has published outputs of this model in their reports, most recent update in 2022 <u>https://www.epa.gov/ghgemissions/inventory-us-greenhouse-gas-emissions-and-sinks-1990-2020</u>

#### **10-year Cumulative Emissions Values**

ODS Refrigerants	10-year Cumulative Emissions Rate (Current)
CFC-11	89%
CFC-12	95%
CFC-13*	61%
CFC-113*	89%
CFC-114	78%
CFC-115	94%

\*Leak rates for these substances were not available in EPA Vintaging model at time of output, alternative source from California's refrigerant management program was used for these substances

## **10-year Cumulative Emissions Values Calculation**

Annual leak rate by enduse (Source: EPA Vintaging model) Categorization of Refrigeration by end use (Source: EPA Vintaging model, presented in CAR ODS 2.0 table D.2)

Refrigerant use by Refrigeration sector (Source: EPA Vintaging model, presented in CAR ODS 2.0 table D.1) 10 year cumulative emissions rates by substance = 1-(1-leak rate)^10

(Source: CAR ODS 2.0 Protocol, table 5.2)

#### **Considered revisions: Topic 2**

- Option 1: Update 10 year emissions rate using most recent output of EPA Vintaging model *inputs from internal EPA model will be needed to replicate calculations*
- Alternative: Use alternative source(s) for 10 year emissions rates
  - For example: Ecology's established maximum leak rates for systems with a full charge >50 lbs (WAC 173-443-155):
    - 16% for retail food refrigeration/cold storage
    - 24% for industrial process refrigeration
    - 8% for air conditioning

#### **Treatment in other protocols: Topic 2**

- Reviewing and revising emissions rates was CARB taskforce recommendation
- ACR 2.0 ODS protocol removes 10-year cumulative emissions rates altogether (effectively assuming 100% leakage)
- Verra VM0016 uses leak rates in CAR ODS protocol (which are also used in current CARB protocol)

### **Change logistics: Topic 2**

- Updating these values would require a change to table b.1 of the adopted protocol
- Significant calculations would be required to update these inputs and would require adequate review
- Recalculation would be required for any new gases considered through this revision

#### **Discussion: Topic 2 Context**

• What additional context or considerations related to this topic should Ecology be aware of?

#### **Discussion: Topic 2 Alternatives**

• Are there alternative/additional sources that Ecology should consider to update these values?

#### **Discussion: Topic 2 Baseline**

- Leak rates for refrigerant ODS use a baseline of continued use in equipment, rather than disposal
  - What sources should Ecology consider to determine which baseline most closely resembles a conservative business-asusual scenario?
  - Have industry practices or unit economics related to this issue changed since this protocol was adopted by CARB in 2014?
  - Please share your perspective on which approach may be more appropriate

#### **Discussion: Topic 2 Programmatic Goals**

- Does this change contribute to Ecology's programmatic goals for this rulemaking:
  - Reflect advances in policy and scientific understanding
  - Remove unnecessary project development barriers, inefficiencies, and exclusions
  - Increase methodological rigor



#### **Revise 10 year emissions rates - Foams**

- Current: Offsets are credited based on estimated 10 year emissions of foam blowing agents, absent destruction
- Considered change: Revise 10 year emissions rates to reflect more recent data and/or an alternative source
- Alternatives:
  - Revise 10 year emissions rates to reflect reuse rather than disposal

#### **10-year Cumulative Emissions Values –** Foams

ODS Foam	10-year blowing agent emissions rate
CFC-11	20%
CFC-12	36%
HCFC-22	65%
HCFC-141b	29%

#### **10-year Cumulative Emissions Values Baselines**

- Values for foam are based on a research by Scheutz, et al (2007) and Fredenslund, et al (2005)
- Leak rate for foams accounts for release during shredding, release during compaction, and release in anaerobic landfill conditions
- Leak rate for foams are based on a baseline of disposal, not recovery

#### Foam Emissions Rates in current protocol

#### Table 5.4. Emissions from Shredding and Landfilling ODS Foam Blowing Agents

ODS Blowing Agent	Percent of ODS Blowing Agent Released During Shredding <sup>a</sup> (set to zero for demolition debris)	Percent of ODS Blowing Agent Released During Compaction <sup>b</sup>	Percent of Remaining ODS Blowing Agent Released During Anaerobic Conditions <sup>c</sup>	Percent of Released ODS Blowing Agent Not Degraded in Anaerobic Landfill Conditions <sup>c</sup>
CFC-11	24%	19%	35%	5%
CFC-12	24%	19%	52%	40%
HCFC-22	24%	19%	100%	57%
HCFC-141b	24%	19%	41%	29%

<sup>a</sup> Scheutz, C., et al. (2007). Release of fluorocarbons from insulation foam in home appliances during shredding. Journal of the Air & Waste Management Association, 57: 1452-1460.

<sup>b</sup>Fredenslund, A., et al. (2005). Disposal of Refrigerators-Freezers in the U.S. : State of the Practice. *Technical University of Denmark*.

<sup>c</sup>Scheutz, C., et al. (2007). Attenuation of insulation foam released fluorocarbons in landfills. Environmental Science & Technology, 41: 7714-7722.

#### **Considered revisions: Topic 3**

- Option 1: Update 10 year emissions rates to reflect more recent sources (ACR 1.2 Protocol), as available, and/or outputs of the EPA Vintaging model, as available
- Alternative: Revise foam emissions calculations to reflect recovery and reuse, rather than landfill disposal (CARB Taskforce recommendation)

#### **Treatment in other protocols: Topic 3**

- Reviewing and revising emissions rates was CARB taskforce recommendation, as well as reconsidering baseline scenario for foams
- ACR 2.0 ODS protocol removes 10-year cumulative emissions rates altogether (effectively assuming 100% leakage)
  - ACR 1.2 ODS protocol significantly revises foam cumulative emissions calculations
- Verra VM0016 uses leak rates in CAR ODS protocol (which are also used in current CARB protocol)

#### **Change logistics: Topic 3**

- Updating these values would require a change to table B.2
- Significant calculations would be required to update these inputs and would require adequate review
- Recalculation would be required for any new gases considered through this revision

#### **Discussion: Topic 3 Context**

• What additional context or considerations related to this topic should Ecology be aware of?

#### **Discussion: Topic 3 Alternative Sources**

- If pursuing Option 1 (updating figures, consistent with a baseline of disposal) which alternative sources would you recommend that Ecology pursue?
  - Literature cited in ACR 1.2 ODS protocol
  - EPA Vintaging model
  - Other

#### **Discussion: Topic 3 Baselines**

- A key consideration for this calculation is whether the baseline use these substances (absent destruction) is disposal or use/recovery/reuse
  - What sources should Ecology consider to determine which baseline most closely resembles a conservative business-asusual scenario?
  - Have industry practices or unit economics related to this issue changed since this protocol was adopted by CARB in 2014?
  - Please share your perspective on which approach may be more appropriate

#### **Discussion: Topic 3 Programmatic Goals**

- Does this change contribute to Ecology's programmatic goals for this rulemaking:
  - Reflect advances in policy and scientific understanding
  - Remove unnecessary project development barriers, inefficiencies, and exclusions
  - Increase methodological rigor



### Next steps

- Review summary notes for Meeting #2
  - Respond to brief poll on topics discussed in today's meeting
- Meeting #3 is Friday, May  $17^{\rm th}$  and 8:00 am PT
- Topics for Meeting #3
  - Substitute emissions calculations
  - ODS sourced from federal government
  - Invalidation liability restriction

## **Public Comment Opportunity**

#### **Guidelines for providing public comment**

- Up to two minutes per person
- Host will unmute you and begin timer
- Please keep the comments related to offsets and ozone depleting substances
- Ecology will not respond to comments in this meeting
- To submit written comments, use our <u>digital comment</u>
  <u>platform</u>
- Please use "raise hand" button to indicate that you wish to provide a comment



# Thank you!

Contact: CCAOffsets@ecy.wa.gov

Rod Wer