



Progress report: Update on the HFC phasedown

ITS ALMOST 18 MONTHS SINCE THE HYDROFLUOROCARBONS (HFC) PHASEDOWN WAS FORMALLY INTRODUCED IN AUSTRALIA. CCN CHECKS IN WITH GOVERNMENT, WHOLESALERS AND CONTRACTORS TO GET AN UPDATE ON PROGRESS TO DATE.

BY ALL ACCOUNTS it's been a pretty smooth transition for Australia, especially when compared to the European experience which has seen massive price hikes, gas supply problems and a flourishing illegal trade in HFCs.

Australia has managed to avoid those problems probably because the phasedown path is a gradual one. It began last year with a goal to reduce HFCs by 85 per cent and continues through to the year 2036.

A more immediate target is to reduce emissions by 26 to 28 per cent on 2005 levels by the

year 2030 under the Paris Climate Agreement.

Prior to the commencement of the phasedown in Australia a regulatory framework was introduced with amendments to the Ozone Protection and Synthetic Greenhouse Gas Management Act.

It is estimated that the global phasedown will reduce emissions by up to 72 billion tonnes by 2050.

The HFC phasedown only covers imports of bulk gas such as in cylinders. It does not cover gas imported in pre-charged equipment such as air-conditioners or refrigerators.

The Federal Government's International Ozone Protection and Synthetic Greenhouse Gas Team director, Patrick McInerney, agrees the phasedown is going to plan.

"On the administrative side of things, import quota holders imported very close to their quota limits in 2018, as we expected," he said adding that arrangements for non-grandfathered quotas for 2020 and 2021 will be decided by the Minister after the election.

To get an accurate assessment of how the phasedown is progressing the Department of Environment and Energy has contracted the Expert Group to update Cold Hard Facts 3 data for 2017 and 2018.

According to a department spokesperson the updated report will be available in August, 2019.

"I don't expect the data will show that the gas mix has changed much at this early stage, but I expect some equipment sectors will be trending away from high Global Warming Potential HFCs at an increased rate," the spokesperson said.



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- ULTRA REFRIGERATION OPERATIONS MANAGER, GEORGE NERCESSIAN.



"While it is very early days for the HFC phasedown, it is progressing the way we expected. HFC imports in 2018 were slightly under the quota limit and we expect a similar level of imports in 2019.

"The import quota reduces by 9.3% in 2020 and 2021 and we are planning to have quota

allocations decided by the end of August 2019.”

Put simply, the progression of the phasedown is in line with earlier forecasts.

Ultra Refrigeration operations manager, George Nercessian, said the impact of the phasedown has been manageable.

“That’s because its gradual so it hasn’t been too difficult; but it hasn’t stopped customers asking a lot of questions,” he said.

“Customers are asking about refrigerant types and which gases will be available in the future.

“We advise them that at this stage replacements are available and that we expect to see more solutions on the market using natural refrigerant technology.

“Right now we are using refrigerants that are available at the moment but ultimately the overall plan is to move to natural refrigerants in the very near future,” Nercessian said.

“We are also moving into water loop systems where the refrigerant charge is contained within the unit and cabinet hence a reduced charge and reduced risk of large leaks. CO₂ water loop systems will make a presence in the market as well.”

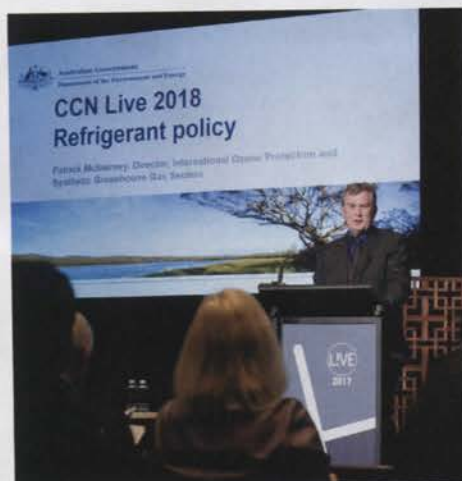
Nercessian said when selecting a solution there are a lot of factors to consider from plant location to energy efficiency and system performance. “What can be offered is also heavily directed by the client’s budget,” he added.

From a wholesaler’s perspective, Actrol marketing manager, Arabella Wood, said it is still early days in the HFC phasedown.

“The most important thing for us is to ensure we can support our customers as much as possible during this transition,” she said.

“We are taking a much more holistic approach rather than pushing our customers down a particular refrigerant path, which means we are offering a wide variety of solutions.”

Wood said this includes investing heavily in staff education to ensure customers are well supported with meaningful options.



International Ozone Protection and Synthetic Greenhouse Gas Team director, Patrick McInerney.

Industry still has more work to do

BY ALL ACCOUNTS the HFC phasedown has been progressing smoothly. In the following article, Refrigerants Australia executive director, Greg Picker, provides a first hand assessment of how industry is dealing with the new refrigerant landscape.

The first restrictions to the import of HFCs occurred from New Year’s Day 2018. By all accounts the industry is adjusting smoothly and without any significant disruption. Given that the phasedown is designed to have a small reduction every two years, it is projected that the industry can adjust in an ongoing way without trauma. Nonetheless there is, sensibly, a review of the phasedown scheduled for 2022 to confirm that everything is on track and to make changes if they are required.

We have done well to date. Refrigerant emissions are being successfully handled largely through the HFC phasedown and improved performance of equipment and tradespeople. These emissions are down by over 90% over the last 25

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years. Further, efficiency of equipment is markedly better than in years past – the Department of Environment calculates split air conditioners, for example, have improved by 60% over the last two decades.

The real question is how can the refrigeration and air conditioning industry improve its performance? There is more we can do, and we should do it. There are four actions that the industry can deliver by working with Government including:

1 Product bans. The industry is well aware that there are new technologies available. There are instances, however, where the technology is not being imported into Australia or where there remains a rump of older technologies being used. Putting a GWP limit of 800, for example, on refrigerants in car air conditioning systems and split systems air conditioners from 2022 would help ensure the market obtains the best environmentally performing equipment.

Refrigerants Australia executive director, Greg Picker.



2 Improved licensing. Today’s licensing scheme focuses only on HFCs and HCFCs. Other refrigerants are not covered, nor are requirements to maximise system performance for better energy outcomes. Extending the current license scheme to cover these issues would improve equipment performance and increase tradesperson safety, which given the increased use of flammable refrigerants, is an absolute necessity.

3 Mandatory inspections and servicing. All of the requirements today are on the trade, while owners bear no responsibility for ensuring their equipment is operating efficiently and without leaks. Another reform could require mandatory equipment inspection and leak detection where there is a significant refrigerant charge. The frequency of inspection would increase in line with increased charge size.

4 Improved enforcement and compliance of license holders. While the Australian Refrigeration Council (ARC) has been largely successful, some fine tuning by Government on what it is allowed could improve its performance. The ARC needs to be able to both inspect workshops of unlicensed persons working in the trade, as well as inspect both installation and services to ensure good workmanship is being delivered. The ARC should also be able to better guarantee that those working with refrigerants at the end of life – such as car wreckers and companies that demolish buildings – recover and return refrigerant to Refrigerant Reclaim Australia (RRA) for destruction.

None of these ideas are outlandish nor do they require rocket science to develop or enact. They do require political will and dedicated effort. This industry has been very successful over the past 25 years in identifying ways to improve its environmental performance. We are well placed to do so again.