

SUMMARY AND RESPONSE TO PUBLIC COMMENTS

A revision to the *Methodology for the Quantification, Monitoring, Reporting, and Verification of Greenhouse Gas Emissions Reductions from The Transition to Advanced Formulation Blowing Agents in Foam Manufacturing and Use* was developed by Dentons US, LLP for potential approval by the American Carbon Registry (ACR).

All new methodologies and methodology modifications, whether developed internally or brought to ACR by external parties, undergo a process of public consultation and scientific peer review prior to approval.

The methodology was posted for public comment from December 4, 2017 – January 12, 2018. Comments and responses are documented here. If applicable, additional public comments received after the formal close of the public comment period are also documented herein and were considered in the final version of the methodology.

#	Organization	Citation Reference	Comment	Author Response
1	Honeywell	Proposed Characterization of the Legal Status of EPA Significant New Alternatives Policy Rules 20 and 21 – Definitions and Section 3	<p>On pages 9 and 20, and in Table 4, the public comment draft states that the U.S. Court of Appeals for the D.C. Circuit “invalidated” the EPA Significant New Alternatives Policy (SNAP) rules at issue and that there is “no longer a regulatory requirement to transition from the use of HFCs in foam manufacturing and use.” The current language is not accurate. The SNAP rules remain in place today. While a three-judge panel of the court has issued a 2-1 opinion vacating and remanding Rule 20 for revision consistent with the opinion, the mandate, which gives legal effect to the court’s opinion, has not yet issued. More important, parties in the case who support EPA’s rule have petitioned the court for rehearing and rehearing <i>en banc</i> (by the full court), and there remains the possibility of Supreme Court review. Honeywell’s view is that the court’s August 2017 opinion is unlikely to stand on appeal and that the SNAP rules will never be “invalidated.”</p> <p>Honeywell suggests the following modifications (indicated by underline):</p> <p>o Page 9: “The dates under the EPA SNAP rule adopted in July 2015 and December 2016 that transition out previously allowed BAs (see Table 4) remain in place. <u>The U.S. Court of Appeals for the D.C. Circuit issued an opinion in August 2017 concluding that EPA’s authority to prohibit the use of HFCs is limited to those manufacturers who have not yet transitioned to</u></p>	<p>Due to the significant legal uncertainty regarding the EPA SNAP rules, we have removed from the methodology all language cited in the comment. Instead, the following footnote has been added to Section 3.2.1 (Regulatory Surplus Test):</p> <p><i>Project proponents should address the potential applicability of SNAP 20 and SNAP 21 regulations adopted by EPA in July 2015 and December 2016 in light of the decision by the Court of Appeals for the District of Columbia, in No. 15-1328; Executive Order 13783 (March 28, 2017, 82 FR 16093-97); and any following regulatory action by EPA.</i></p>

			<p><u>HFCs. However, the decision has been appealed and the extent of EPA’s authority to limit use of HFCs under the SNAP program remains an open question until the appeal process has concluded.</u></p> <p>o Page 20: “In August 2017 the U.S. Court of Appeals for the D.C. Circuit <u>issued an opinion interpreting EPA’s authority under SNAP narrowly, and vacating and remanding</u> the July 2015 SNAP rule change [80 Federal Register at 42923, 40 CFR 82, Subpart G, Appendix U] which placed regulatory transition dates on the use of HFCs in foam manufacturing and use. As a result, the transition dates in Table 4 from version 1.0 of this methodology have been removed. <u>The SNAP rules remain in place for the foreseeable future, until all appeals are exhausted. Therefore, the regulatory requirements to transition from the use of HFCs in foam manufacturing and use remain in place.</u></p> <p>“Even though the Appeals Court ruling did not specifically address the December 2016 SNAP transition dates, the ruling, <u>if sustained on appeal, would limit</u> the EPA’s inability to regulate HFCs and specifically to require companies <u>already using HFCs</u> to transition away. Thus, it is <u>possible</u> that the December 2016 SNAP transition dates will also no longer be valid; <u>although they remain in place today and for the foreseeable future, until all appeals exhausted.</u>”</p> <p>o Table 4, rows 1 and 2: “July 2015 SNAP transition dates <u>may be invalidated</u>”</p>	
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2	Honeywell	Proposed Changes to Monitoring Requirements for Projects in Which the Return Weight of Shipping Containers Cannot be Provided – Sections 4 and 5	Honeywell strongly opposes the proposed 0.1 (10%) discount factor. It is simply too conservative. Because spray foam systems are costly, and low-GWP systems more so, the vast majority of contractors pour any material remaining in a used drum into an empty drum or tote to be consumed later. Spray foam contractors position the nearly empty drum or tote over an empty container to drain any residual material from the nearly empty drum or tote for several hours or overnight. Any resin remaining in the original container, of which the blowing agent is only 8%, is around less than 1% of the original quantity of spray foam. In other words, in a drum that contained 500 lbs of resin, including 40 lbs of blowing agent, the quantity of blowing agent left as residual after a “pour-over” is likely to no more than 0.4 lbs. The container of collected residual material resulting from multiple "pour-overs" is almost always used on the same project site or in other projects happening concurrently. It is simply too valuable to be wasted. Our view, therefore, is that a more reasonable discount factor would be 0.01 (1%)	Based upon further research, the discount factor will be revised to 3% from the proposed 10% in the public comment draft.
3	Honeywell	Proposed Additional Monitoring Requirements for Spray Foam Systems House Project Proponents – Section 5	Honeywell does not object to the proposed attestation requirements for no less than 10% of volume of eligible blowing agent included in the project activity.	