

PHASEDOWN OF HYDROFLUOROCARBONS



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As the Environmental Protection Agency (EPA) addresses the effects of hydrofluorocarbons (HFCs), national production and consumption volumes are required to phasedown 85% by 2036. This process is detailed in the American Innovation and Manufacturing (AIM) Act of 2020 in keeping with the Kigali Amendment to the Montreal Protocol, a United Nations treaty signed by the United States. The act authorizes the EPA to address the environmental effects of HFCs by pursuing:

- ▶ A phasedown of the production and consumption of HFCs
- ▶ Maximized reclamation and minimized release from equipment
- ▶ The transition from HFCs to next generation technologies through sector-based restrictions

ANNUAL THIRD-PARTY AUDIT REQUIREMENT

Third-party attestation engagements must be conducted by a certified public accountant (CPA) or an accounting firm and be independent from the regulated party. The Code of Federal Regulations Title 40, Chapter I, Subchapter C, Part 84 mandates that “Any person producing, importing, exporting, reclaiming, or recycling for fire

suppression a regulated substance, as well as any person receiving application-specific allowances, must arrange for annual third-party audit of reports submitted to EPA...”

WEAVER CAN HELP

Weaver’s Energy Compliance Services practice is dedicated to helping businesses navigate the evolving regulations of industry compliance. Leveraging our team of professionals, Weaver offers HFC attestation engagements beginning with the 2023 compliance year. The audit requirement is annual and due May 31 following the compliance year under review.

HFC ENGAGEMENTS

Offered for the following regulated parties:

- ▶ Producers, importers and exporters of HFCs
- ▶ Companies issued application-specific allowances by EPA
- ▶ Reclaimers and fire suppressant recyclers of HFCs