



Increasing the Adoption of Climate-friendly Refrigeration Systems in California's Supermarkets

Aanchal Kohli, D. Env.

F-gas Climate Policy

California Air Resources Board

Hydrofluorocarbons (HFCs) are potent Short-Lived Climate Pollutants (SLCP)

- Common HFCs used as refrigerants in supermarket refrigeration systems have very high GWP values
- For example: 1 lb of refrigerant R-404A (GWP 3,922) = 3,922 lb of CO_2





SB 1383 requires CARB to reduce HFC emissions 40% below 2013 levels by 2030



HFC Emissions are Growing in California



Source: CARB F-gas Inventory

Supermarket Refrigeration Systems are a Source of Climate-Damaging Refrigerant Emissions



Refrigerant Emissions

- ~2000 lb of refrigerant per supermarket
- 15-25% annual refrigerant leak rates
- Thousands of MTCO₂e emissions over lifetime



Commercially available Low-GWP Technologies



100+ supermarkets in California using low-GWP refrigerants in 2018



F-Gas Reduction Incentive Program (FRIP)



SB 1013 (2018) established an F-Gas incentive program for which the legislature allocated \$1,000,000 in 2019-2020 budget

- FRIP focused on the retail food sector
- Addressing main barriers to low-GWP technologies
 - Higher cost premium
 - Lack of familiarity with technologies

FRIP Eligible Technologies and Funding Available

Funding Tiers	Funding available per project
	\$150,000 for existing
Tior I: Innovativo Tochnologios	or
Liltra low CMD tochnologies (< 10 CMD)	\$50,000 for new facilities
Oltra-low-GVVP technologies (< 10 GVVP)	(\$200,000 for existing or \$75,000 for new
	facilities in LADWP territory)
Tior II. Conventional Technologies	25% of retrofit cost
Defrigerent retrefite from very high CM/D	or
Reingerant retroits from very figh-GVVP	50% of retrofit cost for stores located in low-
to lower-GWP retrigerants	income and disadvantaged communities



Tier I Scoring Criteria

	Mandatory		Optional
•	Cost-effectiveness of GHG reductions	•	Existing facility
•	Market Potential (Scalability)	•	Benefits to priority populations
•	Information Sharing Plan	•	Independent owner/operator
•	Workforce Development Plan	•	Energy efficiency
•	Project Readiness		

Utility Partnerships: The Emerging Technologies Program (ETP) and Los Angeles Dept. of Water and Power (LADWP)

- ETP providing comprehensive measurement and verification (M&V) support for Tier I projects
- Address the lack of performance data on low-GWP technologies
- LADWP allocated \$200,000 for Tier I projects in LADWP territory
- Higher funding awards for projects in LADWP territory



FRIP Applications Received

	Tier I: Innovative Technologies	Tier II: Conventional Technologies		
•	16 applications – 4 existing and 2 new stores	 2 applications for existing stores Retailers: Vallarta Market 		
•	Retailers: Aldi, Costco, Grocery Outlet, Stater Brothers and Whole Foods Market			
\$1.2M requested (22% oversubscribed)				



FRIP Awards

Funding Tiers	Funding available per project
Awarda	All applications received = 16 (2 withdrawn) some at reduced funding amounts
Awarus	
Located in low-income and	EOO(/9 out of 16)
disadvantaged communities	
	Carlsbad, Lancaster, Murrieta, Palmdale,
Cition	Carlsbad, Lancaster, Murrieta, Palmdale, Petaluma, Rancho Cucamonga, Ramona, San Diego, San Francisco, Sebastopol, Thousand
Cities	
	Oaks, Torrance, Ventura, Whittier



Technologies Funded

- Transcritical CO₂ with adiabatic condensers
- Transcritical CO₂ with gas ejectors
- Microdistributed propane with a water loop
- Hybrid HFC/CO₂ system



GHG Reductions and Cost-effectiveness

Funding Tiers	Funding available per project
GHG Reductions over 15 years	Tier I: 29,618 MTCO ₂ e Tier II: 7,860 MTCO ₂ e Tiers I & II combined: 37,478 MTCO ₂ e
Cost-effectiveness of monies (\$/MTCO ₂ e)	Tier I: 31 \$/MTCO2e Tier II: 9 \$/MTCO ₂ e Tiers I & II combined: 27 \$/MTCO ₂ e



Need for Market Transformation

- Incentives. Upfront cost major barrier to adoption, particularly for existing stores
- **Training.** Skilled technician availability
- **M&V.** Publicly available information on system performance
- Utility partnerships. Incorporation of refrigerant emissions in utility energy efficiency programs as per SB 1013
 - California Energy Commission
 - California Public Utilities Commission
 - Dept. of Community Services and Development



FRIP is part of California Climate Investments



What is California Climate Investments?

A statewide initiative that puts billions of Cap-and-Trade dollars to work reducing greenhouse gas emissions, strengthening the economy and improving public health and the environment—particularly in disadvantaged communities. The F-gas Reduction Incentive Program (FRIP) is part of <u>California Climate Investments</u>, a statewide initiative that puts billions of Cap-and-Trade dollars to work reducing greenhouse gas emissions, strengthening the economy, and improving public health and the environment — particularly in disadvantaged communities. The California Emerging Technologies Program is a partner for the FRIP.

For more information, contact Aanchal Kohli at Aanchal.Kohli@arb.ca.gov.

More information can be found at <u>https://ww2.arb.ca.gov/our-work/programs/FRIP</u>.

You can find more information about the F-gas Reduction Incentive Program at <u>https://ww2.arb.ca.gov/our-work/programs/FRIP</u>

Aanchal Kohli

Engineer, F-gas Climate Policy California Air Resources Board Aanchal.Kohli@arb.ca.gov <u>https://ww2.arb.ca.gov/</u>