



Supporting and representing the neighborhood grocers, convenience and specialty retail stores, suppliers and distributors that make up the fabric of our communities in Washington State.

August 31, 2023

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Department of Ecology
Air Quality Program
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RE: Hydrofluorocarbon (HFC) – Chapter 173-443 WAC
Air Quality Fee Rule – Chapter 173-455

On behalf of the Washington Food Industry Association (WFIA), representing independent grocers, convenience stores, and their suppliers in Washington State, I would like to provide the following comments on the proposed HFC and Air quality rules (WSR 23-15-048).

The independent grocers and convenience stores are going to be some of the most impacted businesses in Washington state as a result of laws and rules governing refrigerants and refrigeration systems. These systems are not an optional piece of equipment, they are integral to the operation of our businesses. The ability to keep a store open and provide safe food products to our customers – both as good business practice and in compliance with the law – is of utmost concern. Therefore, we are vigilant about the mechanics and functional operations of these systems. Refrigerant leaks are also extremely important to our industry because leaks reduce the efficiency and efficacy of the refrigeration system – thus impacting the cost of operation and the ability of the equipment to maintain food at the appropriate temperatures.

With this in mind, and because our stores and businesses do care about the environment, we have appreciated the opportunity to work on this law and these rules. However, we remain significantly concerned about the impact on costs and supply. With most of our stores operating at margins of 1% or less, cost can have a detrimental impact on both the ability for store to stay open AND the ability to keep food costs reasonable for consumers. The Small Business Economic Analysis under the Regulatory Fairness Act captured this problem for our smaller stores. However, there is concern beyond that because many of our stores, who are small by industry standards, exceed the threshold of the RFA in terms of both number of employees and gross receipts. This is because significant labor needs are involved in keeping stores open to meet consumer demands AND because the volume of sales needed to keep even a small grocery store open and viable is immense. For this reason, we believe the economic impact in the retail trade sector may be understated.



WFIA appreciates the variance process and existing mitigations that have been put in place in the rule already to try and accommodate these concerns. However, we do have additional recommendations that will help our stores and the contractors who work with us, navigate this refrigeration change in a manner that will have the least impact (although we do not believe the costs can be avoided completely).

- 1) Expand the variance process to include a generalized variance based on availability and costs of refrigerant supply. If we are able to show that generally our state is unable to find an adequate and affordable supply of refrigerants or equipment using the necessary refrigerants in a particular time period, allow for a general industry variance process to help accommodate these businesses until the supply is restored. This would include expanded language in WAC 173-443-095 to provide a process for industry based general variances, particularly for the food industry. We need our refrigeration systems running and sometimes will need to use whatever means possible to do this – particularly during times of emergency. This process could also include a generalized regional variance for exemptions during catastrophic disasters.

- 2) Delay these rules until the EPA rules are finalized, or include in the language a mechanism to open the rules up again in the event that EPA rules on the same subject are different from Washington's rules. This is extremely important since any difference in Washington's rules from EPA standards or requirements could significantly impact the supply of refrigerants and refrigeration equipment in our state. Without adherence to the national standard, Washington could be an outlier and thus find that manufacturers unable to produce the supplies needed specifically for our state – in terms of both refrigerants and equipment that uses refrigerants. With so much of our equipment coming from national manufacturers, consistency with federal law is vitally important to our industry.

We appreciate the opportunity to provide these comments and hope you will take them into serious consideration.

Sincerely,



Tammie Hetrick
President & CEO

