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April 8, 2020

The Honorable John Barrasso
Chairman
Committee on Environment & Public Works
United States Senate
Washington, DC 20510

The Honorable Thomas Carper
Ranking Member
Committee on Environment & Public Works
United States Senate
Washington, DC 20510

Dear Chairman Barrasso and Ranking Member Carper:

As our nation and the world at-large grapples with addressing the expanding impact of the coronavirus on the public health system and the broader economy, I appreciate this unique opportunity to engage in the legislative process and provide comments on S. 2754, the *American Innovation and Manufacturing Act of 2019* (AIM Act). Rheem Manufacturing Company (“Rheem”) is committed to working with you and your colleagues to advance bipartisan legislation that provides a predictable regulatory path for manufacturers and ensures the U.S. remains competitive as the global community transitions to next generation coolants.

Rheem is an industry leader in total heating, cooling, refrigeration and water heating solutions with manufacturing operations and markets in the United States and around the world. Headquartered in Atlanta, Georgia, Rheem employs over 3000 in the U.S. and has facilities in Alabama, Arkansas, California, Connecticut, Florida, Georgia, North Carolina, Texas, Utah, and the territory of Puerto Rico.

Legislation is needed to establish a federal framework to guide our industry through an orderly transition out of high-GWP hydrofluorocarbons (HFCs) and into next generation refrigerant technologies. The global market for air conditioning and refrigeration products and equipment is growing rapidly in size and in competitiveness. Federal legislation, will ensure our industry maintains its technology leadership, which in turn will help American manufacturers expand their share of the global market. In addition, federal legislation will assist in preventing foreign competitors from exporting inferior products and equipment to the U.S. at heavily subsidized prices, commonly referred to as “dumping.”

For Rheem, legislation that provides a clear direction for American manufacturers and ensures regulatory certainty, is critical. Rheem remains open to considering creative ideas that could potentially bridge policy gaps and achieve the important economic and environmental goals of the AIM Act. For example, with regard to the Department of Energy (DOE) covered products (air conditioning and refrigeration), Rheem recommends the Committee review existing statutes, such as the Energy Policy and Conservation Act (EPCA)¹, when determining how to build consensus around preventing a patchwork of standards and minimize consumer costs. At the same time, Rheem recognizes that exemptions or an alternative transition approach might be applicable to other industries or products outside of DOE’s purview.

¹ Section 42 USC 6297(b)-(c)

The two provisions work together: (b) preempts all state regulations on covered products starting March 17, 1987 but grandfathers in regulations that were in place prior to 1987, but only until DOE sets a standard for that product
(c) preempts all state and federal regulations concerning the energy use of covered products for any covered product to which a DOE standard applies.



INTEGRATED AIR & WATER



Again, thank you for the opportunity to comment on S. 2754. Rheem remains committed to working with Committee Members to advance bipartisan legislation through the U.S. Senate in a timely manner.

Sincerely,

A handwritten signature in black ink that reads "Karen B. Meyers".

Karen B. Meyers
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The Honorable Dan Sullivan
The Honorable John Boozman
The Honorable Roger F. Wicker
The Honorable Richard Shelby
The Honorable Joni Ernst

The Honorable Benjamin L. Cardin
The Honorable Bernard Sanders
The Honorable Sheldon Whitehouse
The Honorable Jeff Merkley
The Honorable Kristen Gillibrand
The Honorable Cory A. Booker
The Honorable Edward Markey
The Honorable Tammy Duckworth
The Honorable Chris Van Hollen

