

Echols, Mabel E.

From: Mancini, Dominic J.
Sent: Thursday, November 12, 2009 3:17 PM
To: Lee, Amanda I.; Echols, Mabel E.
Subject: FW: OMB Meeting

Hi Mabel, could you add this to the materials I gave to you regarding the EO meeting on Tuesday on 2060-AO76?
Thanks!

Dom

From: Bbjobber@aol.com [mailto:Bbjobber@aol.com]
Sent: Thursday, November 12, 2009 2:10 PM
To: arling.jeremy@epa.gov
Cc: Poster, Dianne L.; Mancini, Dominic J.; JAMESBURKEGOLFER@aol.com; williamsassoc@comcast.net
Subject: OMB Meeting

Good Day Jeremy,

It was a pleasure meeting with you Tuesday (November 10, 2009) at the Offices of Management and Budget (OMB).

We would like to thank you and the people from OMB for taking the time to hear our views regarding the proposed rules. As we support the EPA's efforts on protecting the environment, our business requires us to make a profit. We strongly feel that both of these interests are threatened due to the excess amount of R22 left behind when the early phase out of new equipment was proposed. At the fear of sounding redundant, this caused the equipment manufactures to act quickly and discontinue the production of R22 equipment for fear of major losses. The ICF report modeled future demand of R22 without the magnitude of the equipment reduction being assessed.

While our meeting time was short and our subject material vast we all agreed to present any additional input which may have been overlooked. As our company has made astute forecast of refrigerant demand for years, we are convinced a glut of R22 is upon us. The short list includes:

- 1) Excessive R142B to R22 allowance conversions
- 2) Downturn in equipment manufacturing
- 3) Stock piles of R22 do to the much anticipated price increases
- 4) Green Chill and other green initiatives to remove ozone depleters
- 5) 2009 allowances are more than twice the demand for R22
- 6) Reclamation activity is increasing

To mitigate your fears of an unforeseen shortage you may consider the following:

- 1) Many SNAP approved R22 replacements are available with an unlimited supply
- 2) Reclaimers are seeing an increase supply with no problem in keeping up
- 3) If you squash allocation, you could reverse your decision
- 4) Better environmental chemicals and HVAC equipment will be produced
- 5) If you sell allocation the laws of supply and demand will be your best friend

With the excess of gas available today, and an inevitable supply glut if the full allocation is awarded at no charge. We ask whole heartedly to review the situation to maintain a healthy model for our businesses and environment.

Please feel free to contact me about any issue and especially the matter at hand.

Regards,

Ted Broudy
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