

ENVIRONMENTAL PROTECTION AGENCY**40 CFR Part 82****[FRL-7428-6]****RIN 2060-AH67****Protection of Stratospheric Ozone: Allowance System for Controlling HCFC Production, Import and Export****AGENCY:** Environmental Protection Agency (EPA).**ACTION:** Final rule.

SUMMARY: EPA is establishing an allowance system to control the U.S. consumption and production of ozone-depleting substances (ODSs) known as hydrochlorofluorocarbons (HCFCs). While much less destructive to the stratospheric ozone layer than chlorofluorocarbons (CFCs), HCFCs do contribute to ozone depletion and alternatives are generally available. The HCFC allowance system is part of EPA's program to reduce the emissions of ODSs to protect the stratospheric ozone layer. Protection of the stratospheric ozone layer helps reduce rates of skin cancer and cataracts. The U.S. is obligated under the Montreal Protocol on Substances that Deplete the Ozone Layer to limit HCFC consumption to a specific level and to reduce it in a step-wise fashion beginning January 1, 2004. The U.S. has also agreed to limit production to a specific level beginning January 1, 2004. This action also includes a petition process for exemptions to the January 1, 2003, phaseout of HCFC-141b.

EFFECTIVE DATE: January 21, 2003.

ADDRESSES: Materials relevant to this rulemaking are contained in Docket No. A-98-33 at the Air and Radiation Docket at EPA West, 1301 Constitution Avenue NW, Room B108, Mail Code 6102T, Washington, DC 20460, Phone: (202)566-1742, Fax: (202)566-1741.

FOR FURTHER INFORMATION CONTACT: Vera Au, EPA, Global Programs Division, Office of Atmospheric Programs, Office of Air and Radiation (6205J), 1200 Pennsylvania Avenue, NW, Washington, DC 20460, (202) 564-2216.

SUPPLEMENTARY INFORMATION: Under the *Montreal Protocol on Substances that Deplete the Ozone Layer* (Protocol), the U.S. and other industrialized countries that are Parties to the Protocol have agreed to limit production and consumption of hydrochlorofluorocarbons (HCFCs) and to phase out consumption in a step-wise fashion over time, culminating in a complete phaseout in 2030. Title VI of

the Clean Air Act (CAA) authorizes the U.S. EPA to promulgate regulations to manage the consumption and production of HCFCs until the total phaseout in 2030. In 1992, a graduated consumption phaseout was established under the Protocol for industrialized countries and in 1993 the EPA established a chemical-by-chemical phaseout to implement the graduated consumption phaseout (58 FR 65018, December 10, 1993). The consumption cap became effective in 1996 and consumption in the U.S. was about 15 percent below the cap for many years. In 1998 and 1999, consumption rose to levels that approached the cap so options for an allowance system were offered for comment with the publication of the Advance Notice of Proposed Rulemaking on April 5, 1999 (64 FR 16373). The Notice of Proposed Rulemaking was published on July 20, 2001, (66 FR 38064) and a public hearing was held on August 27, 2001, for comments on the proposed rule.

Abbreviations and Acronyms Used in This Document

Act—Clean Air Act Amendments of 1990
 ANPRM—Advance Notice of Proposed Rulemaking
 Article 2 countries—industrialized countries
 Article 5 countries—developing countries
 CAA—Clean Air Act Amendments of 1990
 cap—limitation in level of production or consumption
 CFC—chlorofluorocarbon
 CFR—Code of Federal Regulations
 EPA—Environmental Protection Agency
 FDA—Food and Drug Administration
 FR—Federal Register
 HCFC—hydrochlorofluorocarbon
 NASA—National Aeronautics and Space Administration
 NODA—Notice of Data Availability
 NPRM—Notice of Proposed Rulemaking
 ODP—ozone depletion potential (40 CFR part 82)
 ODS—ozone-depleting substance
 Party—Signatory country to the *Montreal Protocol on Substances that Deplete the Ozone Layer*
 Protocol—*Montreal Protocol on Substances that Deplete the Ozone Layer*
 SBREFA—Small Business Regulatory Enforcement Fairness Act
 SNAP—Significant New Alternatives Policy
 UNEP—United Nations Environment Programme
 U.S.—United States

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