



ENVIRONMENTAL PROTECTION AGENCY

[EPA-HQ-OAR-2021-0669; FRL-9116-08-OAR]

Phasedown of Hydrofluorocarbons: Allocation of 2026 Production and Consumption Allowances Set Aside for Metered Dose Inhalers

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: The Environmental Protection Agency (EPA) is providing notice that the Agency allocated hydrofluorocarbon (HFC) set-aside allowances to general pool production and consumption allowance holders. For the calendar year 2026 allocation of HFC allowances, the EPA withheld a limited number of allowances from all general pool allowance holders. These allowances were set aside to accommodate unforeseen HFC needs for metered dose inhaler (MDI) end users. Entities that use HFCs as a propellant in MDIs had until April 30, 2026, to apply for these allowances, and the EPA received no applications. Accordingly, the EPA allocated all of the set-aside allowances pro rata amongst general pool allowance holders. This notice is announcing that allocation.

FOR FURTHER INFORMATION CONTACT: Connor Henderson, U.S.

Environmental Protection Agency, Chemicals, Coatings, and Products Division, Office of Clean Air Programs, U.S. Environmental Protection Agency, 1200 Pennsylvania Avenue NW, Washington, DC 20460; telephone number: 202-564-2177; email address:

henderson.connor@epa.gov. You may also visit the EPA's website at

<https://www.epa.gov/climate-hfcs-reduction> for further information.

SUPPLEMENTARY INFORMATION:

The EPA first established the regulations for issuing allowances in the 2021 final rule titled *Phasedown of Hydrofluorocarbons: Establishing the Allowance Allocation and*

*Trading Program Under the American Innovation and Manufacturing Act*¹ and updated previously established methodology in the final rule titled *Phasedown of Hydrofluorocarbons: Allowance Allocation Methodology for 2024 and Later Years*² (2024 Allocation Framework Rule) and the final rule titled *Phasedown of Hydrofluorocarbons: Review and Renewal of Eligibility for Application-Specific Allowances*³ (2025 Application-specific Allowance Review and Renewal Rule). The 2025 Application-specific Allowance Review and Renewal Rule established an annual set-aside of 1,000,000 metric tons exchange value equivalent (MTEVe) of allowances to be available for the use of hydrofluorocarbons (HFCs) as a propellant in metered dose inhalers (“MDI set-aside”) if the requester meets the criteria for the unique circumstances established in 40 CFR 84.13(b)(1)(iii). These allowances were withheld by the EPA from the October 1, 2025, allocation of 2026 HFC general pool allowances in order to accommodate unforeseen HFC needs, related to use as a propellant in MDIs, resulting from a global pandemic, other public health emergencies, or other healthcare system needs. Entities that use HFCs as a propellant in MDIs had until April 30, 2026, to apply for these allowances. Having received no applications for MDI set-aside allowances by the April 30, 2026, deadline, the EPA has distributed the entire 1,000,000.0 MTEVe pro-rata to general pool allowance holders. The distributed allowances were allocated in a manner that is proportionate to how many allowances the entity was allocated in the calendar year 2026 allocation.

Note that allowances can only be expended to cover imports and production in the calendar year for which they are allocated. In other words, the allowances referenced in this notice may only be expended through the end of this year, December 31, 2026.

¹ 86 FR 55116, October 5, 2021.

² 88 FR 46836, July 20, 2023.

³ 90 FR 41676, August 26, 2025.

The EPA distributed the 1,000,000.0 MTEVe MDI set-aside allowances pro rata amongst the general pool of production allowance holders as shown in Table 1.

Table 1. Pro Rata Distribution of Production Allowances

Entity	Production allowances allocated (MTEVe)
Arkema	120,664.1
Chemours	223,700.8
Iofina Chemical	5.2
Mexichem Fluor	149,220.4
Solstice Advanced Materials US (formerly known as Honeywell International)	506,409.5
Total Issued	1,000,000.0

The EPA distributed the 1,000,000.0 MTEVe MDI set-aside allowances pro rata amongst the general pool of consumption allowance holders as shown in Table 2.

Table 2. Pro rata Distribution of Consumption Allowances

Entity	Consumption allowances allocated (MTEVe)
A.C.S. Reclamation & Recovery (Absolute Chiller Services)	734.3
Ability Refrigerants	734.3
ACT Commodities	0.3
Advance Auto Parts	2,625.7
Advanced Specialty Gases	1,048.1
AFK & Co.	709.9
AFS Cooling	734.3
A-Gas	12,523.2
Air Liquide USA	1,831.3
American Air Components	734.3
Arkema	114,153.5
Artsen	3,774.7
Automart Distributors DBA Refrigerant Plus	734.3
AutoZone Parts	7,423.6
AW Product Sales & Marketing	444.0
Bluon	122.9
CC Packaging	712.3
Chemours	125,900.8
Chemp Technology	734.3
ChemPenn	81.7
ComStar International	1,323.7
Cross World Group	734.3
Daikin America	11,464.5
EDX Industry	2,111.4
Electronic Fluorocarbons	383.1

Fireside Holdings DBA American Refrigerants	734.2
First Continental International	2,827.9
FluoroFusion Specialty Chemicals	9,376.5
Freskoa USA	734.3
GlaxoSmithKline	1,977.4
Golden Refrigerant	734.3
Harp USA	2,812.3
Hudson Technologies	12,366.7
Hungry Bear	734.3
ICool USA	12,515.3
IGas Holdings	95,907.5
Iofina Chemical	4.7
Kidde-Fenwal	734.3
Lenz Sales & Distribution	4,078.7
Lina Trade	734.3
Linde	1,956.1
Matheson Tri-Gas	125.3
MEK Chemical Corporation	305.0
Meraki Group	734.3
Metalcraft	591.1
Mexichem Fluor	93,598.5
Mondy Global	1,170.8
National Refrigerants	72,758.8
Nature Gas Import and Export	3,010.8
North American Refrigerants	734.3
O23 Energy Plus	734.3
Perfect Score Too DBA Perfect Cycle	139.1
Reclamation Technologies	2,195.6
Resonac America	244.0
RGAS	17,539.8
RMS of Georgia	6,054.2
Sciarra Laboratories	31.9
SDS Refrigerant Services	734.3
Solstice Advanced Materials US (formerly known as Honeywell International)	302,501.7
Solvay Fluorides	4,049.8
Summit Refrigerants	734.3
SynAgile Corporation	4.1
Technical Chemical	12,545.0
TradeQuim	734.3
Transocean Offshore Deepwater Drilling	0.1
Tulstar Products	2,696.7
Tyco Fire Products	734.3
USSC Acquisition Corp	482.6
Walmart	8,377.6
Waysmos USA	2,059.9
Wego Chemical Group	207.8
Weitron	23,283.4
Wesco HMB	734.3
Wilhelmsen Ships Service	148.4

Total Issued	1,000,000.0
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Table 3 reflects the distributed MDI set-aside allowances pro rata amongst the general pool of consumption allowance holders, after taking into account previously finalized administrative consequences.⁴

Table 3. Pro rata Distribution of Consumption Allowances Adjusted for Administrative Consequences

Entity	Available consumption allowances, adjusted for all administrative consequences (MTEVe)
A.C.S. Reclamation & Recovery (Absolute Chiller Services)	734.3
Ability Refrigerants	734.3
ACT Commodities	0.3
Advance Auto Parts	2,625.7
Advanced Specialty Gases	1,048.1
AFK & Co	709.9
AFS Cooling	734.3
A-Gas	12,523.2
Air Liquide USA	1,831.3
American Air Components	734.3
Arkema	114,153.5
Artsen	3,774.7
Automart Distributors DBA Refrigerant Plus	734.3
AutoZone Parts	7,423.6
AW Product Sales & Marketing	444.0
Bluon ^a	0.0
CC Packaging	712.3
Chemours	125900.8
Chemp Technology	734.3
ChemPenn	81.7
ComStar International	1,323.7
Cross World Group	734.3
Daikin America	11,464.5
EDX Industry	2,111.4
Electronic Fluorocarbons	383.1
Fireside Holdings DBA American Refrigerants	734.2
First Continental International	2,827.9
FluoroFusion Specialty Chemicals	9,376.5

⁴ For more information on the administrative consequences finalized previously that are relevant for the allocation described in this notice, see 90 FR 52391 (November 20, 2025) and 88 FR 72060 (October 19, 2023).

Freskoa USA	734.3
GlaxoSmithKline	1,977.4
Golden Refrigerant	734.3
Harp USA	2,812.3
Hudson Technologies	12,366.7
Hungry Bear	734.3
ICool USA	12,515.3
IGas Holdings	95,907.5
Iofina Chemical	4.7
Kidde-Fenwal	734.3
Lenz Sales & Distribution	4,078.7
Lina Trade	734.3
Linde	1,956.1
Matheson Tri-Gas	125.3
MEK Chemical Corporation ^b	244.0
Meraki Group	734.3
Metalcraft	591.1
Mexichem Fluor	93,598.5
Mondy Global	1,170.8
National Refrigerants	72,758.8
Nature Gas Import and Export	3,010.8
North American Refrigerants	734.3
O23 Energy Plus	734.3
Perfect Score Too DBA Perfect Cycle	139.1
Reclamation Technologies	2,195.6
Resonac America ^a	0.0
RGAS	17,539.8
RMS of Georgia	6,054.2
Sciarra Laboratories	31.9
SDS Refrigerant Services	734.3
Solstice Advanced Materials (formerly known as Honeywell International)	302,501.7
Solvay Fluorides	4,049.8
Summit Refrigerants	734.3
SynAgile Corporation	4.1
Technical Chemical	12,545.0
TradeQuim	734.3
Transocean Offshore Deepwater Drilling	0.1
Tulstar Products	2,696.7
Tyco Fire Products	734.3
USSC Acquisition Corp	482.6
Walmart	8,377.6
Waysmos USA	2,059.9
Wego Chemical Group	207.8
Weitron	23,283.4
Wesco HMB	734.3
Wilhelmsen Ships Service	148.4
Total Available	999,572.1

^a The EPA has previously finalized administrative consequences for these entities stating that the “[EPA] [w]ill retire and/or revoke allowances until the full administrative consequence is covered,” (88 FR 72060, October 19, 2023).

^b The EPA has previously finalized an administrative consequence for this entity for calendar year 2026. This administrative consequence withholds twenty percent of their consumption allowances until the entity comes back into compliance, at which point the EPA allocates it to the allowance holder.

Judicial Review

The AIM Act provides that certain sections of the Clean Air Act (CAA) “shall apply to” the AIM Act and actions “promulgated by the Administrator of [the EPA] pursuant to [the AIM Act] as though [the AIM Act] were expressly included in title VI of [the CAA].” 42 U.S.C. 7675(k)(1)(C). Among the applicable sections of the CAA is section 307, which includes provisions governing judicial review. 42 U.S.C. 7607(b)(1). Section 307(b)(1) of the CAA provides, in part, that petitions for review must only be filed in the United States Court of Appeals for the District of Columbia Circuit: (i) when the agency action consists of “nationally applicable regulations promulgated, or final actions taken, by the Administrator,” or (ii) when such action is locally or regionally applicable, but “such action is based on a determination of nationwide scope or effect and if in taking such action the Administrator finds and publishes that such action is based on such a determination.”

The distribution of MDI set-aside allowances for HFCs to the general pool of production and consumption allowance holders herein noticed is “nationally applicable” within the meaning of CAA section 307(b)(1). The AIM Act imposes a national cap on the total number of allowances available for each year for all entities nationwide. 42 U.S.C. 7675(e)(2)(B) through (D). For 2026, there was a set-aside amount of 1,000,000.0 MTEVe of allowances that were withheld by the EPA from the general pool allowance holders pending applications for these allowances from entities that use HFCs as propellants in MDIs. After the April 30, 2026, deadline to apply, for which the EPA received no applications, the Agency allocated the allowances pro rata to general pool allowance holders as 2026 production and consumption allowances. As such, the set-

aside allowance allocation is the division and assignment of a single, nationwide pool of set-aside allowances to entities across the country according to the national methodology established in the EPA's regulations. Each entity's set-aside allowance allocation can be a relative share of that pool; thus, any additional allowances awarded to one entity can directly affect the allocations to others. For these reasons, the final action of the EPA allocating set-aside allowances to entities located throughout the country is nationally applicable.

Under section 307(b)(1) of the CAA, petitions for judicial review of this allocation action must be filed in the United States Court of Appeals for the District of Columbia Circuit by **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

Filing a petition for reconsideration by the Administrator does not affect the finality of any action noticed herein for purposes of judicial review nor does it extend the time within which a petition for judicial review may be filed and shall not postpone the effectiveness of such action. The final actions described herein may not be challenged later in proceedings to enforce their requirements. 42 U.S.C. 7607(b)(2).

Aaron Szabo,

Assistant Administrator, Office of Air and Radiation.