FRIP | F-gas Reduction Incentive Program

F-GAS REDUCTION INCENTIVE PROGRAM (FRIP):

SOLICITATION FOR THIRD-PARTY SUBCONTRACTOR SERVICES

FOR RESIDENTIAL HVAC REFRIGERANT RECLAMATION PILOT

Release Date: June 24, 2025

Application Deadline: July 28, 2025

California Climate Investments – Cap and Trade Dollars at Work

California Air Resources Board

North American Sustainable Refrigeration Council

TABLE OF CONTENTS

SOLICITATION PURPOSE

The North American Sustainable Refrigeration Council (NASRC) is soliciting proposals from qualified third-party subcontractors to support the implementation of the California Air Resources Board (CARB) F-gas Reduction Incentive Program (FRIP)[1] Residential Heating, Ventilation, and Air Conditioning (HVAC) Refrigerant Reclamation, hereafter referred to as REFRESH (Refrigerant F-gas Reclamation Support for Home HVAC), pilot. This program aims to increase recovery of hydrofluorocarbon (HFC) and other high global warming potential (GWP) refrigerants, reduce refrigerant emissions, and support a circular refrigerant reclamation market by developing and implementing a refrigerant recovery program for residential HVAC contractors participating in California building decarbonization programs. The selected subcontractor(s) will execute activities outlined in the scope of work below.

PROGRAM OVERVIEW

FRIP is a CARB funding program established by Senate Bill (SB) 1013 that seeks to alleviate barriers to adopting climate-friendly refrigerant technologies and to reduce emissions of HFCs, which are potent greenhouse gases (GHG), in part by identifying opportunities to increase the recovery and reclamation of existing high-GWP refrigerants.[2] CARB selected NASRC as the third-party administrator for FRIP Round 2 in Fall 2023 via a competitive solicitation.[3] In close coordination with CARB, NASRC is responsible for administering FRIP.

While federal and State law prohibit intentional venting of ozone-depleting substances (ODS) and HFC refrigerants while servicing and disposing of HVAC equipment, compliance is low. Low refrigerant recovery rates in the residential HVAC sector cause significant GHG emission impacts.[4] The lack of recovered refrigerant results in a lack of source material for reclamation, stymying the reclamation market.

California's significant investment in residential building decarbonization and the transition to heat pumps, which is likely to result in the removal of thousands of old HVAC units, offers an opportunity to change the refrigerant recovery status quo. FRIP's REFRESH pilot aims to facilitate increased rates of residential HVAC refrigerant recovery and support the reclamation market by:

- Establishing direct relationships between a United States Environmental Protection Agency (U.S. EPA)-certified refrigerant reclaimer and HVAC contractors and their technicians,
- Training technicians on and incentivizing proper refrigerant recovery, and

[1] https://ww2.arb.ca.gov/our-work/programs/FRIP
[2] Bill Text - SB-1013 Fluorinated refrigerants.
[3] https://ww2.arb.ca.gov/our-work/programs/FRIP/grant-solicitation
[4] Staff Report ISOR HFC

- Facilitating the transfer of recovered material to a U.S. EPA-certified reclaimer.

This pilot is being conducted in partnership with the California Energy Commission's (CEC) Equitable Building Decarbonization (EBD) Statewide Direct Install program.[5] CARB anticipates that this program alone could remove over 10,000 refrigerant-containing HVAC units. Based on funding availability, NASRC and CARB may expand the pilot beyond CEC's EBD program to other State and utility incentive programs.

Up to $5 million of FRIP funding is available for the REFRESH pilot to directly fund buyback of recovered refrigerant and to support the subcontractor's administrative and labor costs. The total FRIP contribution is subject to change based on the outcomes of the program, including the number and characteristics of the refrigerant-containing HVAC units removed. Other costs may be considered, at NASRC's and CARB's discretion. This pilot is intended to begin late summer 2025, in alignment with CEC's EBD Statewide Direct Install Program, and last until the EBD Statewide Direct Install Program ends, unless CARB funds allocated to this effort are expended prior to that date. In the event NASRC and CARB enter into agreements with other State and utility incentive programs, the term of funding will likewise be limited to the funds availability and program term.

If additional funding becomes available that CARB, at its sole discretion, determines to be suitable to add to the RREFRESH pilot, then NASRC may augment the FRIP funding available for the pilot. For example, CARB could add new funds that later become available for similar activities or objectives. These new funds would be added to the $5 million initially available. The timeline to encumber, spend, or liquidate new funds may extend the end date of the subcontractor agreement. NASRC, at CARB's sole discretion, reserves the right to increase or decrease the amount of FRIP incentive funds available to the subcontractor for implementation of this pilot.

SCOPE OF WORK

NASRC, under a grant from CARB, seeks subcontractor(s) that are U.S. EPA-certified reclaimers to deliver the following services:[6]

Task 1. Administration. In consultation with NASRC and CARB, develop detailed work plans to implement a REFRESH pilot with minimum buyback payments made to participating contractors and technicians. The work plans will dictate the terms of program participation, including but not limited to:

- Role of reclaimer
- Role of technician/contractor

[5] https://www.energy.ca.gov/publications/2023/equitable-building-decarbonization-direct-install-program-guidelines

[6] Other tasks or modifications to the existing tasks may be considered, at CARB's sole discretion.

- Required technician training
- Cylinder shipping process
- Payment process for buyback of recovered refrigerant
- Formula for determining buyback payment, including minimum payment for recovered refrigerant
- Confirmation of compliance with existing law

Where possible, establish a system to pay technicians directly for recovered refrigerant, preferably via direct deposit. Otherwise, establish a system to pay contractors for recovered refrigerant, preferably via direct deposit. Submit disbursement requests to NASRC on a monthly basis.

Engage in frequent (expected to be monthly but may be more or less frequent at the discretion of NASRC or CARB) check-ins with FRIP staff.

Task 2. Technician Training. Provide free, virtual or hands-on training on proper refrigerant recovery and reclamation to all HVAC technicians participating in the program, in coordination with the CEC program's contractor training. Training should include the importance of refrigerant recovery, how to minimize leaks during refrigerant recovery, how to recover refrigerant safely, requirements under CARB's Refrigerant Management Program regulation (17 Cal. Code Regs., §§ 95380-95398), recommendations on efficient refrigerant recovery equipment, vendor-neutral information about how reclaim programs receive and process recovered refrigerant, and logistical information about how this specific pilot program will work. Pilot program logistics should include how to log information about recovered refrigerant, how to send recovered refrigerant to the reclaimer, and how to sign up to receive buyback payments. Training materials used under this task will be the property of CARB and may be used by CARB in perpetuity. Where necessary, this task may include subsidizing upgrades to technicians' existing recovery equipment or additional equipment that will expedite or improve the refrigerant recovery process.

Task 3. Buyback Payments. Follow the reclaimer's standard process for analyzing purity of recovered refrigerant and paying technicians for refrigerant recovered through the CEC's EBD Statewide Direct Install Program.[7] Through this analysis, confirm that the refrigerant was used and recovered (and not newly produced). Reclaimer must agree to accept all recovered refrigerant from participating technicians. If the reclaimer determines that any recovered refrigerant cannot be reclaimed, reclaimer must provide justification to NASRC and CARB prior to refrigerant being sent for destruction. FRIP funds will cover the difference between the reclaimer payment and the minimum buyback payment determined as per the budget identified by the subcontractor selected. All FRIP funds in this task will go

[7] NASRC and CARB reserve the right to expand the program to cover refrigerant recovered through other public incen ve programs or refrigerant recovered outside of a public incen ve program.

toward technicians or contractors as part of the minimum buyback payment. All other costs to implement this task must be provided as match or in-kind contribution, including but not limited to costs to analyze the purity of recovered refrigerant, administrative costs to pay technicians for recovered refrigerant, the actual reclaimer payment for the recovered refrigerant, and costs to reclaim or destroy recovered refrigerant, which are based on existing reclaimer practices. While the program overall should support both ODS and HFC refrigerants, FRIP will prioritize funding for the buyback of HFC refrigerants.

Task 4. Cylinder Shipping. Support technicians in sending cylinders of recovered refrigerant to the reclaimer location. This may include providing multiple, convenient drop-off and collection sites for recovered refrigerant and/or shipping cylinders of recovered refrigerant directly. The subcontractor must send empty cylinders back to the technician, equal in number and capacity to the cylinders the technician sent to the reclaimer. This task, including the cost of shipping the recovered refrigerant to the reclaimer and the cost of shipping empty cylinders back to the technicians, must be provided as an in-kind contribution, in alignment with existing reclaimer practices.

Task 5. Data Reporting. Provide data on refrigerant recovered through the program and purchased/reclaimed by the reclaimer to NASRC on a monthly basis, including but not limited to:

- Amount of refrigerant received
- Type of refrigerant
- Purity of refrigerant
- Technician/contractor responsible for recovered refrigerant
- Payment covered by reclaimer
- Payment covered by FRIP funds, if applicable

Where applicable in monthly reporting, provide qualitative data on program operations, including program successes, recommendations, and feedback. Support NASRC as needed in developing a final report summarizing this information at the end of the agreement.

DELIVERABLES

The subcontractor will be expected to provide:

1. Detailed work plans developed in consultation with NASRC and CARB for fulfilling scope of work within 30 days of agreement execution.
2. Monthly reports providing per cylinder data and program feedback, as specified in Task 5.
3. Final report providing refrigerant data from the entire program and program feedback, as specified in Task 5.

PROPOSAL REQUIREMENTS

Qualified applicants must submit a proposal that includes the following information:

- **Organization Overview:** Description of the organization and relevant experience, including confirmation of U.S. EPA reclaimer certification.
- **Proposed Approach:** Detailed methodology for delivering the scope of work, including timelines and estimated resource allocation for each initiative.
- **Staffing Plan:** Description of key personnel who will deliver on the scope of work and their qualifications.
- **References:** At least three reference letters that can attest to your organization's ability to deliver similar projects successfully. Each letter must have the reference's contact information. In providing this information, the reference and the applicant give NASRC and CARB full consent and permission to contact and interview the reference.
- **Example of Training Materials:** At least one example of a visual resource (e.g., video, flyer or handout) that the applicant has used to educate contractors or technicians about refrigerant recovery and reclamation. If none are available, explain why.
- **Declarations and Attestations:** Completed and signed CARB FRIP Declarations and Attestations, included as attachments to this solicitation. Via these attestations, applicants must conf commitment and ability to comply with requirements of the CARB FRIP agreement, included as an attachment to this solicitation, as well as CARB's Management of High Global Warming Potential Refrigerants for Stationary Sources regulation (17 Cal. Code Regs., §§ 95380-95398), Prohibitions of Use of Certain Hydrofluorocarbons in Stationary Refrigeration regulation (17 Cal. Code Regs., §§ 95371-95379) and other relevant law.
- **Budget:** Itemized cost estimates aligned with the deliverables outlined in this solicitation, including in-kind or match contributions. At minimum, the budget must include the information in the following tables and where relevant, include the cost of newly produced material. First, the applicant must include information about average costs associated with the purchase and reclamation of recovered refrigerant, per Tables 1 and 2. All costs should be based on at least 12 months of historical data and future market assumptions. Please provide references or citations to publicly available information for at least 12 months of historical data, as well as written justification to back up claims where possible. Include any information about how many pounds or cylinders are necessary in order for these processes and costs to be economically viable. CARB understands that this data may change throughout the course of the grant, and NASRC and CARB are willing to negotiate refrigerant costs and FRIP funding contributions as necessary during the grant term. Confidential business information will be treated in accordance with California laws.

Table 1. Expected R-22 Costs

	R-22 Item	Cost
A	Market price of a lb. of reclaimed R-22	$
B	Reclaimer's cost to reclaim a lb. of R-22	$
C	Reclaimer payment to technician to purchase a lb. of recovered R-22	$
D	Suggested minimum buyback payment to technician per lb. of recovered R-22	$

Reclaimer contribution per lb. of R-22 = B + C
FRIP contribution per lb. of R-22 = D – C[8]

Table 2. Expected R-410A Costs

	R-410A Item	Cost
E	Market price of a lb. of reclaimed R-410A	$
F	Cost to reclaim a lb. of R-410A	$
G	Reclaimer payment to technician to purchase a lb. of recovered R-410A	$
H	Suggested minimum buyback payment to technician per lb, of recovered R-410A	$

Reclaimer contribution per lb. of R-410A = F + G
FRIP contribution per lb. of R-410A = H – G[9]

Second, the applicant must include requests for FRIP funding and commitments for match or in-kind contributions, per Table 3. Budgets should be scalable according to program outcomes and need. The number of items/activities in Table 3 does not reflect the total anticipated scope. Table 3 is not intended to document the total requested funds or total cost of the program. Instead, it is intended to be used to evaluate proposal cost-effectiveness and to provide a scalable budget based on program outcomes and need, up to the total FRIP funding available for this pilot. Cost per item/activity may change based on a variety of factors during program implementation, at the discretion of NASRC and CARB. Applicants may include other items/activities in Table 3, if applicable and considered to be outside the scope of the reclaimer's normal business operations.

[8] Based on the current market, CARB expects that the FRIP contribution for R-22 will be $0. Nevertheless, the FRIP contribution may change over the course of the grant term on a weekly or monthly basis, in consultation with and if approved by NASRC and CARB.
[9] The FRIP contribution may change over the course of the grant term on a weekly or monthly basis, in consultation with and if approved by NASRC and CARB. The FRIP contribution may be $0 if there are favorable market conditions.

Table 3. FRIP Funding and Match or In-Kind Contributions

	Item/Activity		**Cost per Item/Activity**		**Total Estimated Cost**		**Total FRIP Contribution**	**Total Match or In-Kind Contribution**	**% Match or In-Kind[10]**
Task 1	12 months of monthly administration and invoicing	x	$	=	$		$	$	%
Task 2	5 virtual or in-person trainings	x	$	=	$		$	$	%
Task 2	200 recovery equipment subsidies (if applicable)	x	$	=	$		$	$	%
Task 3[11]	15,000 lb. of R-22[12]	x	$ [Suggested minimum buyback payment to technician per lb. of R-22]	=	$		$	$	%
Task 3[13]	15,000 lb. of R-410A[12]	x	$ [Suggested minimum buyback payment to technician per lb. of R-410A]	=	$		$	$	%
Task 3	12 months of other costs associated with buying back 15,000	x	$	=	$		N/A	$	%

[10] % Match or In-Kind should equal Total Match or In-Kind Contribution divided by Total Estimated Cost.
[11] Total FRIP Contribution should equal 15,000 lb. of R-22 multiplied by the FRIP contribution per lb. of R-22 from Table 1. Total Match or In-Kind Contribution should equal 15,000 lb. of R-22 multiplied by the reclaimer contribution per lb. of R-22 from Table 1.
[12] This number is an example but does not indicate the amount of refrigerant that is expected to be recovered through this program. 15,000 lb. = 500 cylinders x 30 lb./cylinder.
[13] Total FRIP Contribution should equal 15,000 lb. of R-410A multiplied by the FRIP contribution per lb. of R-410A from Table 2. Total Match or In-Kind Contribution should equal 15,000 lb. of R-410A multiplied by the reclaimer contribution per lb. of R-410A from Table 2.

	Item/Activity		**Cost per Item/Activity**		**Total Estimated Cost**		**Total FRIP Contribution**	**Total Match or In-Kind Contribution**	**% Match or In-Kind[10]**
	lb. of R-22 and 15,000 lb. of R-410A								
Task 4	500 cylinders shipped	x	$	=	$		N/A	$	%
Task 5	12 months of monthly data reporting	x	$	=	$		$	$	%
Task 5	1 final report	x	$	=	$		$	$	%

EVALUATION CRITERIA

Proposals will be evaluated based on the following criteria:

- Applicant must be a U.S. EPA-certified reclaimer, in compliance with CARB regulations, and will receive priority if they have a reclamation facility in California;
- Demonstrated understanding of the HVAC and reclamation industries and challenges;
- Innovative and effective approaches to addressing program objectives;
- Cost-effectiveness and anticipated impact, including percent in-kind or match contribution;
- Capacity to deliver high-quality results within the specified timeframe, including ability to reclaim a large majority of recovered material; and
- Relevant experience and qualifications of the team.

SUBMISSION INSTRUCTIONS

Proposals must be submitted electronically by 5:00 PM PST on July 28, 2025, to info@fripfunding.com. Late submissions will not be considered. For questions or clarifications regarding this solicitation, please contact info@fripfunding.com no later than July 9, 2025. Responses to questions will be publicly posted by July 14, 2025.

TIMELINE OVERVIEW

Milestone	**Date**
Solicitation Issuance	June 24, 2025
Deadline for Questions	July 9, 2025
Responses to Questions	July 14, 2025
Proposal Submission Due	July 28, 2025
Contract Award Notification	August 15, 2025

TERMS & CONDITIONS

NASRC and CARB reserve the right to reject any or all proposals or cancel this solicitation at any time without obligation or liability to any party. If, in the sole and absolute discretion of NASRC and CARB, no responsive or responsible proposals are submitted for all or part of the scope, NASRC will not make an award for the relevant scope and will consider other options.