



FRIP



NORTH AMERICAN
**Sustainable
Refrigeration
Council**

F-gas Reduction Incentive Program (FRIP): Commercial and Industrial Refrigeration Funding Guidelines

September 5, 2024

Amended on August 29, 2025¹

¹ **Changes from FRIP Addenda 1-4 (published respectively on January 13, 2025, February 20, 2025, June 23, 2025, and August 29, 2025) are incorporated into these amended Funding Guidelines. Added language appears in bold underline, and deleted language appears in strikethrough and within square brackets. Minor, non-substantive edits compared to the original Funding Guidelines are not specifically marked.**

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Chapter 1: Introduction

The F-gas Reduction Incentive Program (FRIP) is a California Air Resources Board (CARB) funding program established by Senate Bill (SB) 1013² that seeks to alleviate barriers to adopting climate-friendly refrigerant technologies and to reduce emissions of hydrofluorocarbons (HFCs), which are potent greenhouse gases. As directed by the State legislature through Budget Acts 2022³ and 2023,⁴ allocated funding will be used to accelerate the adoption of ultra-low-global warming potential (GWP) refrigerants, defined as having a GWP <10,⁵ and will be administered through FRIP.

These guidelines, which cover a portion of the funds allocated by the legislature, focuses on commercial and industrial refrigeration, a sector that has market-ready ultra-low-GWP refrigerant technologies available in addition to the potential for significant emission reductions.

CARB's HFC regulation⁶ places requirements on the GWP of refrigerants in refrigeration systems in new and existing commercial and industrial facilities. These guidelines focus on management of incentives funding for existing facilities, which face financial and technical challenges in transitioning to ultra-low-GWP refrigerant technologies compared to new facilities.

In 2020 through Round 1 of FRIP, CARB awarded \$1 million to ultra-low-GWP and lower-GWP refrigeration projects.⁷ Based on the success of the program and the need to further reduce the outsized climate impacts of refrigerants to meet the goals of SB 1383,⁸ CARB received \$65 million⁹ from the Legislature to expand FRIP. Table 1 outlines the planned funding breakdown for this second round of FRIP.

² Lara, Chapter 375, Statutes of 2018.

https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB1013

³ Ting, Chapter 249, Statutes of 2022.

https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB179

⁴ Skinner, Chapter 12, Statutes of 2023.

https://leginfo.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB101

⁵ CARB refers to the Intergovernmental Panel on Climate Change (IPCC) fourth Assessment Report (AR4) GWP values in this solicitation. Ultra-low-GWP is consistent with the first round of FRIP and with the definition of ultra-low-GWP in SB 1206 (Skinner, Chapter 884, Statutes of 2022).

⁶ California Code of Regulations, Title 17, Division 3, Chapter 1, Subchapter 10, Article 4.

<https://ww2.arb.ca.gov/our-work/programs/stationary-hydrofluorocarbon-reduction-measures>

⁷ <https://ww2.arb.ca.gov/our-work/programs/FRIP/frip-previously-funded-projects>

⁸ Lara, Chapter 395, Statutes of 2016

https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=201520160SB1383

⁹ This includes \$35 million from the General Fund in Fiscal Year (FY) 2022-23, \$10 million from the Greenhouse Gas Reduction Fund in FY 2022-23, and \$20 million from the General Fund in FY 2023-24. See footnotes 2 and 3 for budget details.

Table 1: FRIP Round 2 Funding Breakdown

Category	Funding (in millions)
Commercial and industrial refrigeration in existing facilities with systems with >50 lb. of refrigerant () ¹⁰	\$38.5
Commercial and industrial refrigeration facilities with systems with ≤50 lb. of refrigerant	\$2
Other sectors (to be determined)	\$18
Third-party administration	\$6.5
TOTAL	\$65

CARB selected the North American Sustainable Refrigeration Council (NASRC) as the third-party administrator for FRIP Round 2 in Fall 2023 via a competitive solicitation.¹¹ In close coordination with CARB, NASRC is responsible for administering FRIP with their subgrantee, DNV Energy Services USA Inc. (DNV).

CARB accepted public comments on the FRIP Round 2 Draft Funding Guidelines and associated program materials between August 1-22, 2024, via email to FRIP@arb.ca.gov and during a public workshop hosted on August 15, 2024.¹² Feedback received from the public was incorporated into these final Funding Guidelines.

The Funding Guidelines, including the Technical Grantee Agreement Template (Appendix A) and the Quantification Methodology and Benefits Calculator,¹³ are now available on <https://ww2.arb.ca.gov/our-work/programs/FRIP> and www.FRIPfunding.com, i.e., the FRIP web portal.

Applicants must use the FRIP web portal to apply for FRIP funding and, if awarded funding, report on project implementation. The FRIP web portal may also be used to learn about the program and seek application assistance.

1.1. Program Dates and Application Windows

Funding will be allocated on a first come, first served basis (see section 4.1 for more information) over two application windows, hereinafter referred to as Window 1 and Window 2. Table 2 lists the opening and closing dates for each application window. Dates are subject to change at CARB's discretion. CARB may close the application windows earlier if the program is significantly oversubscribed. Any updates will be

¹⁰ All existing commercial and industrial refrigeration facilities may not be eligible for funding in this solicitation. Facilities must meet all eligibility requirements described in these Funding Guidelines.

¹¹ <https://ww2.arb.ca.gov/sites/default/files/2023-06/FRIP%202023%20PA%20Solicitation.pdf>

¹² <https://ww2.arb.ca.gov/our-work/programs/FRIP/meetings-and-events-frip-funding>

¹³ <https://ww2.arb.ca.gov/resources/documents/ci-quantification-benefits-and-reporting-materials>

available on <https://ww2.arb.ca.gov/our-work/programs/FRIP/grant-solicitation> and via a listserv notice.¹⁴

Table 2: Application Window Dates

Application Window	Opening Date	Closing Date
Window 1	October 14, 2024	January 31, 2025
Window 2	March 3, 2025	[August 29, 2025] December 15, 2025

Prior to the application windows opening, NASRC will conduct outreach and provide application assistance to all eligible facilities that report under CARB’s Refrigerant Management Program (RMP).¹⁵ Potential applicants can reach out to NASRC directly for application and technical assistance. Outreach and technical assistance will continue until the application windows close or until the applicable refrigeration sector’s funding is significantly oversubscribed. The FRIP web portal will be available prior to the application window opening so potential applicants can prepare to apply before Window 1 opens.

1.2. Available Funding

The total funding available in this solicitation is \$38.5 million¹⁶ to increase the adoption of ultra-low-GWP (i.e., GWP <10) refrigerant technologies for commercial and industrial refrigeration in existing facilities with >50 pounds of high-GWP refrigerant in at least one refrigeration system. This requirement aligns with the regulatory requirements for refrigeration facilities to report under RMP. All eligibility requirements are described in Chapter 2. Facilities located in disadvantaged and low-income communities¹⁷ (collectively referred to as priority communities) and

¹⁴ Sign up to receive notices from FRIP at <https://www.fripfunding.com/>. Sign up to receive notices from CARB at <https://public.govdelivery.com/accounts/CARB/subscriber/new> and select the topic ‘HFC-Reduction’.

¹⁵ California Code of Regulations, Title 17, Division 3, Chapter 1, Subchapter 10, Article 4. <https://ww2.arb.ca.gov/our-work/programs/refrigerant-management-program>

¹⁶ This solicitation is funded in part through California Climate Investments, a statewide initiative that puts billions of Cap-and-Trade dollars to work reducing greenhouse gas emissions, strengthening the economy, and improving public health and the environment – particularly in disadvantaged communities.

¹⁷ Disadvantaged communities are census tracts identified as disadvantaged by the California Environmental Protection Agency per SB 535 (De León, Chapter 830, Statutes of 2012) and designated using CalEnviroScreen 4.0. These include the 25% highest scoring census tracts in CalEnviroScreen 4.0, census tracts previously identified in the top 25% in CalEnviroScreen 3.0, census tracts with high amounts of pollution and low populations, and federally recognized tribal areas as identified by the Census in the 2021 American Indian Areas Related National Geodatabase. Low-income communities are census tracts identified as low-income per AB 1550 (Gomez, Chapter 369, Statutes of 2016).

independent facilities¹⁸ will be prioritized for funding through increased incentive awards, outreach, and application and technical assistance.

Funding will be allocated across three commercial and industrial refrigeration sectors (Retail Food Refrigeration, Industrial Process Refrigeration, and Cold Storage and Other Refrigeration, which are defined in section 6.2) based on the distribution of these systems in RMP. Table 3 outlines the available funding per refrigeration sector in each application window. Funding has been split in the retail food refrigeration sector based on company¹⁹ size to support the distribution of FRIP funding across a variety of companies in the sector. Company size demarcations are consistent with the requirements for existing retail food facilities in the HFC regulation.

Table 3: Funding Allocation by Refrigeration Sector

Refrigeration Sector	Company Size	Total Funds Available (in millions)	Funds Available in Window 1 (in millions)	Funds Available in Window 2 (in millions)*
Retail Food Refrigeration	Companies that own or operate 20 or more retail food facilities in California OR national supermarket chains ²⁰ operating in California	\$18.2	\$18.2	[Remaining funds] Up to \$33
Retail Food Refrigeration	Companies that own or operate fewer than 20 retail food facilities in California	\$12.3	\$6.15	At least \$6.15**
Industrial Process Refrigeration	N/A	\$5	\$5	[Remaining funds] Up to \$33
Cold Storage and Other Refrigeration	N/A	\$3	\$3	[Remaining funds] Up to \$33

***Amounts are subject to change at CARB's sole discretion.**

¹⁸ An independent facility is a facility with a refrigeration system that is owned or operated by one company. Under this definition, a company that owns or operates an independent facility must not own or operate any other facilities, businesses, affiliates, brands, subsidiaries, or franchises with refrigeration systems that are eligible for FRIP funding in this solicitation.

¹⁹ A company is defined as all businesses, affiliates, brands, subsidiaries, or franchises owned or operated by the same parent company.

²⁰ A national supermarket chain is defined as a retail food chain, brand name, or business operating more than 100 retail food facilities in the United States.

****This funding set-aside will be available until June 30, 2025. Starting July 1, 2025, no minimum funding amount will be set aside for retail food refrigeration companies that own or operate fewer than 20 retail food facilities in California.**

After Window 1 closes, NASRC and CARB will evaluate program progress. Based on this evaluation and prior to opening Window 2, CARB may re-allocate funds between sectors, lower required minimum refrigerant charges, or make other changes as needed to meet FRIP goals and expend funds in a timely manner. If CARB makes any changes to the program between application windows, CARB will publish information about the changes on CARB's website and on the FRIP web portal. Applications that were waitlisted in Window 1 may be accommodated but are not guaranteed funding in Window 2. Note that there may not be any remaining funds in Window 2 for the sectors listed above except for retail food companies with fewer than 20 facilities in California. CARB reserves the right to re-evaluate the funding distribution based on program participation over time and to add funds from other budget allocations, as necessary.

Chapter 2: Eligibility

2.1. Eligible Facilities

To be eligible for FRIP funding, the site of the proposed project must be an existing refrigeration facility that is in California and is owned or operated by the applicant.²¹ **In order to be eligible for a FRIP award, the applicant, facility, and existing systems must** [The applicant and facility must also] be registered **in the Refrigerant Registration and Reporting System (R3) tool** under RMP. **Throughout the grant term, the applicant and facility** [and] must comply with existing federal and state laws [throughout the grant term], including CARB's RMP and [2020] HFC regulations. Companies that received funding in Round 1 of FRIP are eligible for funding in this solicitation, but the specific facilities that received funding in Round 1 of FRIP are not eligible for funding in this solicitation.

2.2. Eligible Existing Systems

The existing refrigeration systems that will be replaced must be operational and charged with F-gas refrigerants that meet the GWP minimums, as defined in Table 4.

²¹ Where the applicant operates and leases but does not own the refrigeration equipment, prior to executing a grant agreement the applicant must provide a letter from the equipment owner granting consent for the proposed changes to the property and stating that the applicant will be the one administering the proposed technology replacement. Rented equipment is not eligible for FRIP funding.

Based on the significant emission reduction potential of facilities in the Industrial Process Refrigeration and Cold Storage and Other Refrigeration sectors, the total charge size of the existing refrigeration systems to be replaced in a single facility in these sectors must meet the refrigerant charge minimums listed in Table 4. While existing systems with ≤ 50 lb. of refrigerant are eligible to be replaced for all sectors, the majority of the charge size of the existing systems to be replaced must be from systems with > 50 lb. of refrigerant.

Table 4: Existing System Eligibility Requirements by Refrigeration Sector

Refrigeration Sector	Minimum GWP for All Existing Systems to be Replaced	Minimum Refrigerant Charge for Sum of Existing Systems to be Replaced
Retail Food Refrigeration	$> 1,300$ GWP ²²	N/A
Industrial Process Refrigeration	$> [1,800]$ 1,300 GWP ^[23] ²²	$[500 \text{ lb.}]^{24}$ N/A
Cold Storage and Other Refrigeration	$> [1,800]$ 1,300 GWP ^[23] ²²	$[500 \text{ lb.}]^{24}$ N/A

Replacement of existing indirect systems²⁵ is not eligible for funding under this solicitation. The only exception to this is in the Industrial Process Refrigeration sector, where replacement of existing, field-erected indirect systems is eligible for funding. When replacing existing, field-erected indirect systems in the Industrial Process Refrigeration sector, the primary refrigerant charge must be used to meet the refrigerant charge minimum in Table 4.

Replacement of existing self-contained equipment is not eligible under this solicitation. Replacement of existing heating, ventilation, air conditioning, and refrigeration (HVACR) integrated systems is eligible as long as the majority of the cooling load of the refrigeration system being replaced is used for refrigeration.

²² Common refrigerants with a GWP $> 1,300$ per IPCC's AR4 include R-22, R-407A, R-404A, R-507A, R-448A, [and] R-449A, **and the entire R-407 series.**

~~[²³ Common refrigerants with a GWP $> 1,300$ per IPCC's AR 4 include R-22, R-407A, R-404A, R-507A, R-448A, R-449A, and the entire R-407 series.]~~

~~[²⁴ The majority of the charge size of the existing systems to be replaced must be from systems with > 50 lb. of refrigerant.]~~

²⁵ An indirect system is defined as a system that uses a central refrigeration system to cool a secondary fluid that is then circulated throughout the facility.

2.3. Eligible Replacements

Full²⁶ and partial²⁷ refrigeration system replacements are eligible under FRIP. All replacements must use ultra-low-GWP, defined as having a GWP <10, refrigeration technologies. FRIP determines refrigerant eligibility based on the GWP of the refrigerant and not based on the American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) safety group classifications.²⁸

Field-erected systems, as well as packaged, direct exchange systems, are eligible for funding under this solicitation. ~~[Self-contained equipment is not eligible for funding under this solicitation.]~~ Microdistributed systems with water loops are eligible for funding.

Air-cooled self-contained equipment is eligible for funding only in retail food refrigeration facilities. For this equipment type, the proposed refrigerated cases must be ENERGY STAR certified²⁹ or have equivalent maximum daily energy consumption.³⁰ For cases that are not ENERGY STAR certified, manufacturers or applicants must supply the specification sheet or model number of the proposed cases in their application for NASRC to verify eligibility. Projects that replace no more than 200 linear feet of high-GWP refrigerated cases are preferred. If more than 200 linear feet of high-GWP refrigerated cases will be replaced, NASRC will review the application to determine whether the proposal meets the intent of FRIP and is eligible for an incentive award. However, no more than 200 linear feet will be used to calculate the incentive award for air-cooled self-contained equipment projects.

~~[When propane is used as a refrigerant in these systems, charge sizes must be consistent comply with the latest refrigeration safety standards in California³¹ to ensure energy efficient operation.]~~ Existing, field-erected indirect systems, which are only eligible for replacement in the Industrial Process Refrigeration sector, must be

²⁶ A full replacement is defined as a 100% replacement of an existing refrigeration system using a minimum GWP refrigerant as defined in Table 4 with a refrigeration system using exclusively ultra-low-GWP refrigerants.

²⁷ A partial replacement is defined as conversion of an existing refrigeration system using a minimum GWP refrigerant as defined in Table 4 to an indirect system. The indirect system in a partial replacement must be able to use some of the existing refrigeration system equipment and must use an ultra-low-GWP secondary refrigerant alongside a primary refrigerant that has a GWP <2,200 and ≤ the existing system refrigerant GWP.

²⁸ <https://www.ashrae.org/technical-resources/standards-and-guidelines/ashrae-refrigerant-designations>

²⁹ [ENERGY STAR Certified Commercial Refrigerators and Freezers | EPA ENERGY STAR](#)

³⁰ [Commercial Refrigerators & Freezers Key Product Criteria | ENERGY STAR](#)

³¹ Underwriters Laboratories (UL) 60335-2-89 Edition 2 and ASHRAE 15 (2022) are effective in California starting July 1, 2024.

replaced with systems—whether direct or indirect—that use exclusively ultra-low-GWP refrigerants. This is considered a full replacement for calculating the incentive award.

An application must include the full or partial replacement of at least one system in an existing facility and may include the full replacement, partial replacement, or combination of full and partial replacement of multiple systems in an existing facility. A single application may not include multiple facilities.

In total, the size or capacity of the replacement system(s) (based on the metrics used to define the facility's incentive award) must be [$\pm 15\%$] **no less than 85%** of the size or capacity of the existing systems(s) to be replaced. If the total size or capacity of the replacement system(s) is outside of this range, NASRC will review the application to determine whether the proposed system meets the intent of FRIP and is eligible for an incentive award. GHG reductions achieved by removing access to refrigerated goods are not eligible for FRIP funding.

The proposed installation must be completed by certified technicians.³² Per SB 1013, CARB encourages applicants to dispose of the replaced equipment in the most environmentally beneficial way. Resources for the safe disposal and handling of materials from old, inefficient refrigeration equipment are available through the U.S. Environmental Protection Agency (EPA) Responsible Appliance Disposal program.³³

2.3.1. Example Technologies

Examples of eligible full system replacements that may be funded through FRIP include but are not limited to:

- Transcritical CO₂ rack systems or remote condensing units with adiabatic condensers, pressure exchangers, ejectors, and/or other enhancements that improve performance
- Ammonia (NH₃), propane, or hydrofluoroolefin (HFO) in cascade or indirect systems with CO₂ or glycol as secondary heat transfer fluids
- Propane, CO₂, or HFO microdistributed systems with a water loop
- HVACR integrated systems that provide refrigeration as well as space heating and cooling using ultra-low-GWP refrigerants

Examples of eligible partial system replacements that may be funded through FRIP include but are not limited to HFCs with GWP <2,200 (e.g. R-407A, R-448A, R-449A)

³² Technicians must be certified under the U.S. EPA 608 program (Clean Air Act, 42 USC § 7671g; 42 U.S.C. 82.150 et seq.) and must also hold a current and active California contractor's license in the C-38 - Refrigeration Contractor licensing classification or be an employee of a contractor with these qualifications.

³³ <https://www.epa.gov/rad>

in cascade or indirect systems with CO₂ or glycol as secondary heat transfer fluids. If the existing refrigeration system uses a refrigerant with a GWP $\geq 2,200$, then the facility must complete a refrigerant retrofit as part of the partial replacement. In the event of a retrofit, CARB encourages the applicant to use certified reclaimed refrigerant³⁴ for the retrofit.

To comprehensively support California's climate goals, CARB encourages applicants to consider using energy efficient technologies and powering these technologies with renewable sources of energy where feasible.

2.4. Incentive Awards

Incentive awards, as outlined in Tables 5, 7, and 8, differ by refrigeration sector and scale with the size and scope of the replacement. Award amounts were determined based on expected project and equipment costs, stakeholder feedback collected by NASRC, and discussions with refrigeration experts. **Parent company maximums as described below apply across refrigeration sectors. If a parent company applies for funding for multiple projects that fall under different refrigeration sectors, NASRC and CARB will apply the larger of the applicable parent company maximums.**

2.4.1. Retail Food Refrigeration

For retail food refrigeration facilities, awards are based on the linear feet (ln. ft.) of high-GWP refrigerated case removed and the square feet (sq. ft.) of high-GWP walk-in cooler or freezer space removed. For island cases that are removed, the perimeter of the unit will be used to measure linear feet of refrigerated case.

Projects in retail food facilities located in priority communities will receive additional incentives. Applicants may use CARB's interactive mapping tool **(link updated)**³⁵ to identify whether their project is located in a priority community.

Projects in independent retail food facilities will also receive an increased incentive award. An independent facility is a facility that is the only facility owned or operated by a company. Under this definition, a company that owns or operates an independent facility must not own or operate any other facilities, businesses, affiliates,

³⁴ Used (recovered) refrigerant that has been reclaimed by a U.S. EPA-certified refrigerant reclaimer and meets all specifications in 40 C.F.R. Part 82, Subpart F, Appendix A (Specifications for Refrigerants) (January 1, 2017).

³⁵

[<https://gis.carb.arb.ca.gov/portal/apps/experiencebuilder/experience/?id=6b4b15f8c6514733972cabdda3108348>]

https://gis.carb.arb.ca.gov/portal/apps/experiencebuilder/experience/?id=5dc1218631fa46bc8d340b8e82548a6a&page=Priority-Populations-4_0

brands, subsidiaries, or franchises with refrigeration systems that are eligible for FRIP funding.

Full replacements, which yield higher GHG emission reductions and require completely new equipment, will receive larger awards compared to partial replacements. For companies that own or operate 20 or more retail food facilities in California or national supermarket chains operating in California, no more than ~~half of the available funds (which amounts to)~~ \$9.1 million~~}}~~ may fund projects that include partial replacements. If ~~half of available funds~~ **\$9.1 million** are awarded to projects that include partial replacements, additional applications received that include partial replacements will be placed on the waitlist.

Table 5 lists the incentive award amounts for the Retail Food Refrigeration sector as described above.

Table 5: Retail Food Refrigeration Incentive Awards

Facility Type	Full Replacement	Partial Replacement
Facilities located in priority communities	\$700/ln. ft. of case \$10/sq. ft. of walk-in	\$350/ln. ft. of case \$7/sq. ft. of walk-in
<u>Independent facilities or facilities owned or operated by companies with fewer than 20 retail food facilities in California</u>	[\$700/ln. ft. of case \$10/sq. ft. of walk-in] <u>\$1,400/ln. ft. of case \$20/sq. ft. of walk-in</u>	[\$350/ln. ft. of case \$7/sq. ft. of walk-in] <u>\$700/ln. ft. of case \$14/sq. ft. of walk-in</u>
Other facilities	\$600/ln. ft. of case \$8/sq. ft. of walk-in	\$300/ln. ft. of case. \$5/sq. ft. of walk-in

Projects awarded in Window 1 may be amended if affected by these changes.

Table 6 lists the maximum amount of funding and number of facilities per parent company and maximum incentive award per facility allowed under this solicitation in the Retail Food Refrigeration sector.

Table 6: Retail Food Refrigeration Company Incentive Maximums

Company Size	\$ [or Facility] per Parent Company Maximum	\$ per Facility Maximum
Companies that own or operate 20 or more retail food facilities in California or national supermarket chains	[\$1 million (or \$1.1 million if at least two facilities are located in priority communities)] <u>\$3 million (or \$3.3 million if at least</u>	\$400,000 (or \$500,000 for facilities located in priority communities)

Company Size	\$ [or Facility] per Parent Company Maximum	\$ per Facility Maximum
operating in California	<u>five facilities are located in priority communities)</u>	
Companies that own or operate fewer than 20 retail food facilities in California	[One facility] <u>\$2.25 million</u>	[\$400,000 (or \$500,000 for facilities located in priority communities)] <u>\$750,000</u>

Projects awarded in Window 1 count toward the parent company maximum.

2.4.2. Industrial Process Refrigeration

For industrial process refrigeration facilities, awards are based on the cooling load tons utilizing high-GWP refrigerant that are replaced with an ultra-low-GWP refrigerant. A cooling load ton is defined as the refrigeration system's applied rate of heat transfer measured in tons at the cooling coils and heat exchangers OR the system capacity at applied conditions, whichever is less. The cooling load tons can be calculated by the cooling coils and other process heat exchanger specifications in the refrigeration drawings (plan views, equipment schedules and piping and instrumentation diagram set) or by engineering analysis.

Full replacements, which yield higher GHG emission reductions and are more aligned with California's long-term climate goals, will receive larger awards compared to partial replacements. The replacement of existing, field-erected indirect systems with direct or indirect systems that use exclusively ultra-low-GWP refrigerants is considered a full replacement for calculating the incentive award.

Table 7 identifies the incentive award amounts for the Industrial Process Refrigeration sector as described above.

Table 7: Industrial Process Refrigeration Incentive Awards

Full Replacement	Partial Replacement
\$1,500/cooling load ton	\$900/cooling load ton

For industrial process refrigeration facilities, ~~[parent companies may only receive incentive funding for one facility]~~ **parent companies may receive no more than \$3 million, which may be used across multiple projects.** ~~[and the incentive will not exceed \$500,000, no matter the size of the project.]~~ **Projects awarded in Window 1 will count toward the parent company maximum.**

The incentive award per facility will not exceed \$2 million. Projects awarded in Window 1 may be amended if affected by these changes.

~~[At minimum, half of the available funds (which amounts to \$2.5 million) must fund projects that are replacing existing systems that have a total of at least 2,000 lb. of >3,900³⁶ GWP refrigerant. If half of the available funds are awarded to projects that are not replacing existing systems with a total of at least 2,000 lb. of >3,900 GWP refrigerant, additional applications received that are not replacing existing systems with a total of at least 2,000 lb. of >3,900 GWP refrigerant will be placed on the waitlist.]~~

2.4.3. Cold Storage and Other Refrigeration

For cold storage and other types of refrigeration facilities, depending on refrigeration system type, awards may be based on the linear feet of high-GWP refrigerated case removed, the square feet of high-GWP walk-in cooler or freezer space removed, and/or the cooling load tons utilizing high-GWP refrigerant that are replaced with an ultra-low-GWP refrigerant. For island cases, the perimeter of the unit will be used to measure linear feet of refrigerated case.

Full replacements, which yield higher GHG emission reductions and are more aligned with California's long-term climate goals, will receive larger awards compared to partial replacements.

Table 8 lists the incentive award amounts for the Cold Storage and Other Refrigeration sector as described above.

Table 8: Cold Storage and Other Refrigeration Incentive Awards

Full Replacement	Partial Replacement
\$700/ln. ft. of case	\$350/ln. ft. of case
\$10/sq. ft. of walk-in	\$7/sq. ft. of walk-in
\$1,500/cooling load ton	\$900/cooling load ton

For cold storage and other refrigeration facilities, ~~[parent companies may only receive incentive funding for one facility]~~ **parent companies may receive no more than \$3 million, which may be used across multiple projects.** ~~[and the incentive will not exceed \$500,000, no matter the size of the project.]~~ **Projects awarded in Window 1 will count toward the parent company maximum.**

The incentive award per facility will not exceed \$750,000. Projects awarded in Window 1 may be amended if affected by these changes.

~~[At minimum, half of the available funds (which amounts to \$1.5 million) must fund projects that are replacing existing systems that have a total of at least 1,000 lb. of >3,900 GWP refrigerant. If half of the available funds are awarded to projects that are~~

³⁶ Common refrigerants with a GWP > 3900 are R-404A and R-507.

~~not replacing existing systems that have a total of at least 1,000 lb. of >3,900 GWP refrigerant, additional applications received that are not replacing existing systems that have a total of at least 1,000 lb. of >3,900 GWP refrigerant will be placed on the waitlist.]~~

2.5. Eligible Costs

In all sectors, eligible costs include the cost of the ultra-low-GWP refrigeration equipment, which may include refrigeration mechanical equipment, refrigerant, evaporators, connecting piping, valves and controls, and other materials. Refrigeration equipment does not include installation labor or subcontracts. If the proposed system is an HVACR integrated system, all ultra-low-GWP equipment is considered to be ultra-low-GWP refrigeration equipment. Secondary refrigeration equipment (excluding heat exchangers) is not an eligible cost if the existing indirect system already uses an ultra-low-GWP secondary refrigerant.

Due to funding constraints, equipment costs will be prioritized for reimbursement. This means that in the event the total equipment cost equals to or exceeds the total award amount, only equipment costs will be eligible for reimbursement. If FRIP funding is used to cover labor costs associated with installing the ultra-low-GWP refrigeration system, the project must follow the State's prevailing wage requirements for public works projects.³⁷

Incentive awards will not exceed the documented cost of the refrigeration equipment. Equipment receipts will be required as part of the reimbursement request.

FRIP funding cannot be used to cover the following: cost of developing an application, any costs incurred during environmental review, or any costs incurred as a result of withdrawing a proposed award or canceling the solicitation.

The proposed replacement must not use FRIP funding in conjunction with any other refrigerant-focused incentive funding programs offered by California State agencies such as the Food Production Investment Program and the Healthy Refrigeration Grant Program. Additional funding from external partners (e.g., funding from the U.S. EPA or Department of Energy) is encouraged and may supplement but may not overlap with FRIP funding. Given California's initiatives and mandates to reduce energy demand,

³⁷ See Chapter 1 of Part 7 of Division 2 of the California Labor Code, commencing with Section 1720 and Title 8, California Code of Regulations, Chapter 8, Subchapter 3, commencing with Section 16000. Public works projects require the payment of prevailing wages. Prevailing wage rates can be significantly higher than non-prevailing wage rates. If the applicant does not believe the project is a public works project, they are responsible for obtaining a legally binding determination from the California Department of Industrial Relations or a court of competent jurisdiction before work begins on the project. The applicant is fully responsible for complying with all California public works requirements, including but not limited to payment of prevailing wage.

CARB strongly encourages applicants to apply for additional funding sourced from State energy utilities and affiliated third-party programs for energy efficient refrigeration systems. Funding obtained through voluntary reputable carbon credit programs is permissible with NASRC and CARB approval.

Chapter 3: How to Apply

FRIP applications will be awarded on a first come, first served basis. In other words, applicants that apply early are more likely to receive funding and those that apply later may not receive funding if funds run out (see section 4.1 for more information). FRIP applicants must apply online through the FRIP web portal:

www.FRIPfunding.com. Applicants must create an account to apply for funding. After creating an account, applicants will receive an email from eTRACK+ (noreply@anbetrack.com) to set a password. Applicants should check junk or spam folders if they do not immediately receive an email from eTRACK+. After setting a password and as soon as the web portal is live, the web portal can be used to prepare FRIP applications.

If potential applicants run into any issues using the FRIP web portal or submitting an application online, they should contact NASRC at 833-852-FRIP (833-852-3747) or info@FRIPfunding.com. Applicants are also encouraged to refer to other resources to navigate the web portal that will be available at www.FRIPfunding.com when the web portal is live.

Applicants must first read these Funding Guidelines, including the Technical Grantee Agreement Template (Appendix A), prior to applying for FRIP funding. Reading the Guidelines and terms and conditions in the Technical Grantee Agreement Template thoroughly will help prepare applicants to submit applications successfully and for what to expect when they are awarded FRIP funding.

To officially apply for FRIP funding, applicants must complete all application information, as listed in Table 11, and then generate the application on the portal by clicking "Submit." They must then certify the accuracy of the application and confirm other eligibility requirements via checkbox and submit the certified application on the portal by clicking "Submit" again. The timestamp of the application submission will be based on when the certified application was submitted on the FRIP web portal. The timestamp will be used to determine the applicant's place in line for the first come, first served funding model.

Applicants may save partial applications and come back to complete their application prior to submitting it, but at minimum they must fill out all fields identified with an asterisk on the online application (including the Legal Company Name and Facility Information) to save a partially completed application. Applicants should ensure that

they save their application by clicking on the “Save” button in the portal before exiting out to not lose information that has been entered already.

3.1. Eligibility Requirements

Applicants must meet ALL applicable requirements as described in Chapter 2 and as listed in Tables 9 and 10 to be eligible for a FRIP award.

Table 9: Facility and Project Eligibility Requirements

Criteria	Eligibility Requirement
Location and Ownership	The site of the proposed project must be in an existing facility that is in California and is owned or operated by the applicant.
RMP	The applicant, facility, and existing systems [and facility] must be registered in the R3 tool , under CARB’s RMP.
Existing System	The existing system(s) to be removed or replaced must be operational and charged with F-gas refrigerants that meet the GWP minimums listed in Table 4. The existing system(s) must in total meet the refrigerant charge minimums as described in section 2.2.
New Refrigerant and Technology	The proposed project must reduce GHG emissions through an eligible full or partial replacement as described in section 2.3.

Table 10: Implementation Eligibility Requirements

Criteria	Eligibility Requirement
Certified Technicians	The project must be completed by technicians that are certified under the U.S. EPA 608 program and that hold a current and active C-38 license as described in section 2.3.
Existing Refrigerant Treatment	High-GWP refrigerants that are removed from existing refrigeration systems must be treated appropriately in accordance with existing laws.
Schedule	The proposed installation must be completed as soon as possible and no later than December 31, 2026.
Funding Sources	The proposed project must not use FRIP funding in conjunction with any other refrigerant-focused incentive funding programs offered by California State agencies. Additional funding from external partners must not overlap with FRIP funding.
Federal and State Laws	The applicant must comply with existing federal and state laws throughout the grant term, including CARB’s RMP and HFC regulations.

Applicants may submit multiple applications for different facilities; however, the number of funding awards will not exceed the maximum number of projects per company as described in section 2.4.

3.2. Application Information

Table 11 contains all the information that will be required to complete an application on the FRIP web portal.

Table 11: Application Information

Required Information	Description	Input
Section 1. Contact Information		
Legal Company Name	Name of company applying for funding	Applicant input
Federal Tax ID	Unique, nine-digit number that is issued by the Internal Revenue Service to identify a business for tax reporting purposes	Applicant input
Refrigeration Sector	Retail Food Refrigeration, Industrial Process Refrigeration, or Cold Storage or Other Refrigeration	Applicant input
Number of Active California Locations	Number of active facilities registered in the R3 tool, under RMP that the company has in California	Applicant input
Owner/Operator Contact Information	Full name, number, address, and email of the owner/operator. The owner/operator must own and/or operate the facility applying for funding and will receive the funding. The owner/operator will also be the point of contact for all communications prior to grant agreement execution.	Applicant input
Project Manager Contact Information	Full name, number, address, and email of the project manager. The project manager may be the same as the owner/operator and will be the point of contact for all communications after grant agreement execution.	Applicant input
Recipient for Legal Notices Contact Information	Full name, number, address, and email of the recipient for legal notices. The recipient for legal notices may be the same as the owner/operator or project manager.	Applicant input
Section 2. Facility Information		
Facility Name	Name of facility applying for funding	Applicant input

Required Information	Description	Input
Facility Address	Full address of facility applying for funding	Applicant input
Priority Community	Whether the facility is located in a low-income and/or disadvantaged community	Applicant input
Section 3. Project Details		
Project Name	Name of project applying for funding	Applicant input
Proposed Start Date	The anticipated date the refrigeration equipment will be ordered	Applicant input
Proposed End Date	The anticipated date the refrigerant circuit will be completed and initially charged with refrigerant	Applicant input
Section 4. Project Cost Estimates³⁸		
Estimated Refrigeration Equipment Cost	Estimated refrigeration equipment cost only, not including cost of labor or subcontracts. For definition of items included in refrigeration equipment, refer to section 2.5.	Applicant input
Estimated Refrigeration Installation Labor Cost	Estimated cost of refrigeration installation labor for system replacement, including subcontracts	Applicant input
Estimated Other Costs	Estimated cost of other activities needed for system replacement (e.g., electrical, plumbing, structural, décor, flooring, freight, shipping and receiving)	Applicant input
Total Estimated Cost of Refrigeration System Replacement	Estimated total project cost including cost of refrigeration equipment, labor, and other costs	Automatically generated based on the project cost estimates provided above
Section 5. Existing System Information	The following information must be entered for each existing system that will be replaced fully or partially. Information may differ for each system included.	

³⁸ All cost estimates at the time of application may be generated based on the refrigeration schedule and floor plan. Once the project is complete, Technical Grantees will be required to report actual costs of the project.

Required Information	Description	Input
System Number	Identifier of existing system to be replaced	Applicant input
Existing Refrigeration System Architecture	Architecture of the existing system, selected via a drop-down menu that includes the following options: Centralized DX System, Other, Rack Systems, Secondary/Cascade System, and Single or One-to-One System. Secondary/Cascade System refers to an indirect system.	Applicant input
Existing Refrigerant Type	Type of refrigerant used in the existing system	
Existing Refrigerant Charge	The quantity, in pounds, of high-GWP refrigerant in the existing system at full charge. This must be consistent with what was reported in R3 tool, under RMP.	Applicant input
Existing Ln. Ft. of Case	The existing linear feet of refrigerated display cases connected to the refrigeration system that will be removed or replaced, if applicable	Applicant input
Existing Sq. Ft. of Walk-in Space	The existing square feet of the refrigerated walk-in cooler or freezer space connected to the refrigeration system that will be removed or replaced, if applicable	Applicant input
Existing Cooling Load Tons	The existing tons of cooling load required by the process that will be replaced, if applicable. This is not based on the capacity of the mechanical system. Refer to the definition in section 6.2.	Applicant input
Section 6. Proposed System Information	The following information must be entered for each proposed system that will replace the existing high-GWP refrigeration system(s). Information may differ for each system included.	
System Number	Identifier of proposed replacement system	Applicant input
Proposed Refrigeration System Architecture	Architecture of the proposed replacement system, selected via a drop-down menu that includes the following options: Secondary/Cascade System, Microdistributed System with Water Loop, Single or One-to-One System, Transcritical CO ₂ , and Other. Other may include but is not limited to	Applicant input

Required Information	Description	Input
	other Centralized DX Systems. Secondary/Cascade System refers to an indirect system.	
Proposed Replacement Type	Type of replacement planned (Full or Partial)	Automatically generated based on the proposed system type
Proposed Primary Refrigerant Type	In the case of an indirect system, the primary refrigerant is the refrigerant that provides cooling to a secondary cooling loop	Applicant input
Proposed Ultra-low-GWP Refrigerant Type	The refrigerant with a GWP <10 that is replacing the existing high-GWP refrigerant. In the case of an indirect refrigeration system, the secondary cooling loop must use an ultra-low-GWP refrigerant.	Applicant input
Proposed Refrigerant Charge	For full replacements, the pounds of ultra-low-GWP refrigerant that will be in the proposed system at full charge. For indirect replacements, the pounds of primary refrigerant that will be in the proposed system at full charge.	Applicant input
Proposed Ln. Ft. of Case	The proposed linear feet of refrigerated display cases connected to the refrigeration system that will be replaced, if applicable	Applicant input
Proposed Sq. Ft. of Walk-In Space	The proposed square feet of refrigerated walk-in cooler or freezer space connected to the refrigeration system that will be replaced, if applicable	Applicant input
Proposed Cooling Load Tons	The proposed tons of cooling load required by the process that will be replaced, if applicable. This is not based on the capacity of the mechanical system. Refer to the definition in section 6.2.	Applicant input
Section 7. Greenhouse Gas Reductions		
Total Estimated GHG Reduction (in metric tons)	Total estimated GHG reductions in MTCO ₂ e from the project. This is the estimated reductions achieved by	Automatically generated based on the inputs provided in the sections

Required Information	Description	Input
of carbon dioxide equivalent, or MTCO ₂ e)	replacing an existing, high-GWP refrigeration system with a state-of-the-art ultra-low-GWP system.	above, average industry emission factors, and CARB's Quantification Methodology ³⁹
Estimated GHG Reduction from a Mid-range GWP Refrigerant Retrofit Baseline to Ultra-low-GWP Technology (MTCO ₂ e)	Estimated GHG reduction in MTCO ₂ e achieved by installing a state-of-the-art ultra-low-GWP system compared to an interim mid-range refrigerant retrofit GWP technology.	Automatically generated based on the inputs provided in the sections above, average industry emission factors, and CARB's Quantification Methodology
Section 8. Incentives		
Proposed Incentive Award	Incentive award amount for the project	Automatically generated based on the inputs provided in the sections above
Section 9. Certifications		
Checkbox	Verification that the installation will be completed by certified technicians	Applicant input
Checkbox	Verification that the application is for an independent facility, if applicable	Applicant input
Checkbox	Verification that high-GWP refrigerants that are removed from existing refrigeration systems will be treated appropriately in accordance with existing laws	Applicant input
Checkbox	Verification that the project will not use FRIP funding in conjunction with any other refrigerant-focused incentive funding programs offered by California State agencies	Applicant input

³⁹ <https://ww2.arb.ca.gov/resources/documents/cci-quantification-benefits-and-reporting-materials>

Required Information	Description	Input
Checkbox	Verification that the applicant has read and understood the terms and conditions of the Technical Grantee Agreement Template	Applicant input
Owner/Operator Representative Name, Title, and Email Address	Full name, title, and email address of the owner/operator representative. This may be the same as the owner/operator, project manager, or recipient for legal notices.	Applicant input
Section 10. Project Documents		
Project Scope and Cost Estimates	Quote provided by a contractor with estimated project costs, consistent with the refrigeration equipment, labor, and other costs above. This must include detail on refrigeration equipment costs.	Applicant input
Existing Refrigeration Schedule/Equipment Legend and Existing Floor Plan OR Completed Inspection Form	Refrigeration drawings listing the existing installed equipment and a floor plan showing the existing refrigerated case and walk-in cooling layout and sizes. Examples will be provided on the FRIP web portal. If the existing refrigeration schedule and floor plan are not available, the contractor may complete the inspection form provided on the FRIP web portal.	Applicant input
Proposed Refrigeration Schedule/Equipment Legend and Proposed Floor Plan	Proposed scope of work description, including refrigeration drawings listing the proposed replacement equipment and a floor plan showing the proposed refrigerated case and walk-in cooling layout and sizes. Examples will be provided on the FRIP web portal.	Applicant input

3.3. Application Assistance

NASRC is available to assist potential applicants prior to and during the application process. Visit www.FRIPfunding.com to sign up to receive information about the program and view application resources and a schedule of application assistance opportunities. All of the services are provided for free to interested applicants.

- Email and phone support:
 - The FRIP phone line, 833-852-FRIP (833-852-3747), will be staffed during normal business hours to help applicants work through the required application information.
 - Applicants may also email NASRC staff at info@FRIPfunding.com.
- Webinar: NASRC will host a live webinar to provide an overview of the program and guidance on the FRIP application process. The webinar will be recorded and available on-demand at www.FRIPfunding.com. If applicants have signed up to receive information about the program on www.FRIPfunding.com, they will receive an email notification for this.
- Technical Roundtable: NASRC will host weekly virtual Technical Roundtable calls beginning in September 2024. The meetings will provide potential applicants and other stakeholders the opportunity to ask questions about the program and application process. If applicants have signed up to receive information about the program on www.FRIPfunding.com, they will receive an email notification for this.
- One-on-one meetings: NASRC staff are available to meet with applicants and their contractors or design consultants. Applicants may request a one-on-one meeting with NASRC via phone or email. NASRC does not provide technical services but does have technical resources available to answer questions, provide guidance on FRIP, and provide information on the technologies available.

CARB is available to support applicants who need assistance with registering or reporting under RMP. Contact CARB RMP staff at RMP@arb.ca.gov or (916) 324-2517.

CARB is available to support applicants who need assistance with reporting under the HFC regulation. Contact CARB HFC staff at HFCReduction@arb.ca.gov.

Chapter 4: Application Review and Project Selection

4.1. First Come, First Served Approach

Funding will be awarded on a first come, first served basis [~~within each refrigeration sector (see Table 3)~~]. The time the application was submitted on the FRIP web portal will be used to determine the order of funding [~~within a refrigeration sector~~].

Applications will be reviewed in the order they are received. All applications will be reviewed first for completeness and then to ensure that they meet all applicable eligibility requirements as described in Chapter 2. A subset of projects, at the discretion of NASRC and CARB, will be selected to undergo site inspections.

In the event that a project cannot be fully funded because the requested amount exceeds the available remaining funds, NASRC will provide the applicant the option to accept the lesser funding amount or withdraw their application. If the applicant declines funding at the reduced project rate, NASRC will offer the funding to the next eligible application. CARB and NASRC reserve the right to, for any reason, offer less than the full amount requested, carry the remaining funds forward to a future solicitation, or not award a grant.

If funding in a specific sector is oversubscribed within the first 24 hours that the application window opens, the applications will be randomized and reviewed/awarded in the new randomized order.

4.2. Application Corrections and Clarifications

If an application requires corrections or clarifications, NASRC will email the applicant with the correction or clarification request(s) within five business days of application receipt.⁴⁰ The applicant must then update their application on the FRIP web portal within three business days of receiving a correct or clarification request. The application will then be reinstated into the project pipeline with its original timestamp. After those three business days, the additional amount of time taken for the applicant to submit corrections and clarifications will be added to the original timestamp to determine the order of funding within a refrigeration sector. Retail food refrigeration facilities under companies that own or operate less than 20 retail food facilities in California will have an additional two business days (five business days total) to correct or clarify their submissions before time is added to their original

⁴⁰ Application review and notifications will be delayed at the end of the calendar year due to office closures over the holidays.

timestamp. **All corrections must be addressed and all applications must be submitted in their final form no later than January 31, 2026. After this date, no further corrections, clarifications, or resubmissions will be accepted. CARB and NASRC reserve the right to terminate initiated or submitted applications on an applicant's behalf after 60 days in the event of application inactivity and/or unresponsiveness to communication from NASRC. The 60-day period may be determined from the applicant's last contact with NASRC or the last time the applicant made changes to their application on the FRIP web portal.**

NASRC, at their sole discretion, may determine at any time that an application requires a site inspection or virtual meeting to support application corrections or clarifications. In these cases, NASRC will reach out to the applicant to schedule a time that is convenient for them. The time it takes to coordinate and conduct a site visit or virtual meeting will not be added to the application's original timestamp.

4.3. Applicant Notification

Notices will be sent via email, and it is the applicant's responsibility to ensure that they have entered their email address accurately in the web portal and that their email box allows emails from FRIP. Applicants are responsible for checking their emails related to FRIP. Applicants are advised to add the following email domains to their safe senders list: @anbetrack.com, @FRIPfunding.com, and @nasrc.org and to check their junk and spam email folders on a regular basis.

After review and any necessary corrections or clarifications, applicants will be notified that their application has been approved, rejected, or waitlisted:

1. **Application is approved.** The applicant will receive an email from @FRIPfunding.com, notifying them of the proposed award and required next steps.⁴¹
2. **Application is rejected.** The applicant will receive an email from @FRIPfunding.com, notifying them of the reason for the rejection and suggested next steps. Applications may be rejected for a variety of reasons, including but not limited to an ineligible site or proposed project type. Where possible, NASRC will try to work with the applicant to correct and clarify the application to meet eligibility requirements rather than reject the application.
3. **Application is waitlisted.** If FRIP funding is oversubscribed within a refrigeration sector, the applicant will receive an email from @FRIPfunding.com,

⁴¹ The Technical Grantee is responsible for ensuring all relevant safety standards, regulations, and building codes are met as part of project design and construction. Awarding of FRIP funds does not imply that a decision has been made that the project has complied with applicable federal, state, and local laws.

notifying them of their place on the waitlist. Applicants will be notified of the waitlist prior to any requests for application corrections or clarifications and will be subject to the same requirements for corrections or clarifications as outlined in section 4.2. Applicants will be notified via email if funding becomes available and they will be moved off the waitlist and into the project pipeline.

Applicants should expect notification within three weeks of submission. All timelines are subject to change.

The following information will be posted for the public on the FRIP website(s) for all applications submitted:

- Company name
- Date application was submitted
- Refrigeration sector
- Facility location (city or county)
- Priority community, if applicable
- Basic project description
- Type of replacement (full or partial) and type of refrigerant replaced and used
- Proposed and final incentive award
- Estimated GHG reduction
- Application status

Chapter 5: Project Implementation

After being awarded funding, FRIP funding applicants become FRIP Technical Grantees. Technical Grantees must follow specific steps to implement their projects and must meet key program deadlines, as identified in Table 12.

Table 12: Key Program Deadlines

Milestone	Deadline
1. Grant agreement signed and submitted	Within three weeks of award notification
2. Equipment ordered	Within 180 calendar days of the date the grant agreement is signed
3. Quarterly Status Updates submitted	Every three months
4. Installation completed and Final Status Update and reimbursement request submitted	As soon as possible and no later than December 31, 2026

5.1. Sign the Grant Agreement

The award notification email will include a grant agreement between NASRC and the Technical Grantee. This grant agreement will use the Technical Grantee Agreement Template (Appendix A) with project-specific details. While the terms and conditions are not negotiable, the Technical Grantee should ensure that their legal counsel reviews the terms and conditions of the agreement before signing.

The Technical Grantee must review and sign the grant agreement within three weeks of receipt of the award notification. Under extreme or extenuating circumstances, an extension of one additional week may be feasible at the discretion of CARB and NASRC and may be requested by Technical Grantees via an email to info@FRIPfunding.com. If the Technical Grantee does not sign the agreement or request an extension within the required timeframe, their application will be rejected, and they will be required to reapply for FRIP funding.

No legal obligations exist until the grant agreement start date, which occurs when both the Technical Grantee and NASRC have signed the agreement. To remain eligible for the incentive, refrigeration equipment may not be ordered prior to the grant agreement start date. If equipment is ordered prior to the grant agreement being signed by both parties, the cost of the equipment is not eligible for FRIP funding.

5.2. Order Refrigeration Equipment

The Technical Grantee must order ultra-low-GWP refrigeration equipment that covers the cost of the incentive award and provide documentation of equipment ordered (e.g., purchase order) to NASRC within 180 calendar days of the grant agreement start date. Delivery of the ordered equipment is not required to occur within those 180 calendar days. **Equipment ordered prior to the grant agreement's execution date cannot be considered for reimbursement.**

Under extreme or extenuating circumstances, an extension of one additional month (i.e., 30 calendar days) or more may be feasible at the discretion of CARB and NASRC and may be requested by Technical Grantees via an email to info@FRIPfunding.com. If the Technical Grantee does not order equipment and provide required documentation or request an extension within the required timeframe, their agreement will be terminated and they will be required to reapply for FRIP funding.

If applicable, Technical Grantees are also required to receive California Environmental Quality Act (CEQA) clearance by the time equipment is ordered.

5.3. Project Implementation and Reporting Requirements

The Technical Grantee must follow the project implementation requirements as described in the Technical Grantee Agreement Template and these Funding Guidelines. This section elaborates on three elements of project implementation and reporting.

5.3.1. Quarterly Status Updates and Information Sharing

The Technical Grantee must submit Quarterly Status Updates through the FRIP web portal every three months, starting three months after the grant agreement start date. The Quarterly Status Updates may include but are not limited to the following:

- Project changes (Yes/no. If yes, identify changes.)
- Project schedule (If a milestone is more than 30 days delayed, NASRC will schedule a meeting with the Technical Grantee to discuss)
- Challenges and barriers encountered

The grant agreement may be terminated at NASRC's and CARB's discretion if the Technical Grantee does not provide a Quarterly Status Update within a six-month period.

Throughout the grant term, NASRC will work with selected grantees to collect more substantive information on project design and motivations and to highlight exemplary projects through case studies, webinars, videos, or other forms of media to promote the adoption of ultra-low-GWP refrigeration technology in California.

5.3.2. Meetings and Site Visits

Site visits may be requested at NASRC's discretion. Virtual meetings may be requested as needed by the Technical Grantee or NASRC to support project implementation. Meetings may be used to discuss the overall plan for the project, implementation details and challenges, the project schedule, feedback on the program, and any issues that need to be resolved. NASRC does not provide technical services but does have technical resources available to answer questions, provide guidance on FRIP, and provide information on the technologies available.

The grant agreement may be terminated at NASRC's and CARB's discretion if the Technical Grantee does not participate in meetings or allow site visits requested by NASRC within a 30-day period.

5.3.3. Project Changes

CARB understands that projects may change during implementation and endeavors to provide flexibility where possible. Material, i.e., substantive, changes to the project, budget, and schedule will require prior approval from NASRC and CARB and may

result in either a formal grant amendment or grant termination. The Technical Grantee will not be reimbursed for material changes that are implemented without prior approval from NASRC and CARB. Material changes that are implemented without prior approval from NASRC and CARB may result in grant termination and/or the Technical Grantee being required to repay any advanced funds that were used to implement the unapproved material change(s). The Technical Grantee is required to report all project changes (whether material or non-material) to NASRC in the Quarterly Status Updates.

Examples of non-material changes (do not require a formal grant amendment or grant termination):

- Timeline delay that maintains the project end date of December 31, 2026
- Change in the technology type that still meets GWP eligibility requirements
- Change that impacts the size, capacity, or location of the project without increasing the funding award
- Change that results in a no more than 5% reduction in the size or capacity of the project while still meeting all other requirements in these Guidelines

Examples of material changes that require a formal grant amendment:⁴²

- Timeline delay that extends the project end date past December 31, 2026
- Change that impacts the total funding award by no more than 20%
- Any other change that impacts the project's or Technical Grantee's ability to meet eligibility requirements

Examples of material changes that require grant termination (prior to termination, the Technical Grantee and NASRC will meet to discuss the change and any opportunities to reach a resolution that does not require grant termination):

- Change in the technology type that does not meet GWP eligibility requirements
- Change that impacts the total funding award by more than 20%
- Significant change in estimated emission reductions

5.4. Complete Installation and Submit Payment Request

The installation is considered to be complete on the date that the refrigerant circuit is completed and initially charged with refrigerant. Once the installation is complete, the Technical Grantee must submit a Final Status Update and payment request to receive FRIP funds. Prior to reimbursement and at NASRC's discretion, NASRC will

⁴² Timelines and deadlines as described in Chapters 4 and 5 also apply to formal grant amendments.

confirm installation completion through post-install inspections or through documentation submitted by the Technical Grantee.

5.4.1. Final Status Update

The Technical Grantee must submit a Final Status Update through the FRIP web portal within two months of project completion and no later than December 31, 2026.

Technical Grantees must provide all requested information in the Final Status Update, which should include but is not limited to:

- Project description, including major milestones accomplished and project duration
- Total equipment cost, total labor cost, and total other costs
- Installed system information to calculate a revised GHG reduction estimate
- Number of technicians trained and summary of training provided, if applicable
- Other benefits or results
- Challenges and barriers encountered and lessons learned during project implementation
- Project photos
- Feedback on FRIP

This information will be used to analyze program impacts and to promote the adoption of ultra-low-GWP refrigeration technology through awareness and education initiatives.

5.4.2. Reimbursement Request

Along with the Final Status Update, the Technical Grantee must submit a request for reimbursement through the FRIP web portal to receive FRIP funds. The reimbursement request will be required to include documentation of actual costs incurred, including equipment receipts. FRIP funds paid will not exceed the documented cost of the refrigeration equipment or the awarded funds as identified in the grant agreement.

Technical Grantees should expect to receive payments for approved reimbursement requests no later than April 30, 2027 upon timely submission of a reimbursement request no later than December 31, 2026. Submitting an incomplete or late reimbursement request may result in payment delays.

Payments will be made on a reimbursement basis to the Technical Grantee (or to the entity that supplies the equipment to the Technical Grantee if authorized to do so by the Technical Grantee) unless otherwise determined by CARB. Refer to the Technical Grantee Agreement Template for more information on payment requests.

Chapter 6: Additional Information

6.1. Contacts

NASRC is available to support applicants and Technical Grantees throughout the FRIP funding process. Contact NASRC via phone or email at the following:

Phone: 833-852-FRIP (833-852-3747)

Email: info@FRIPfunding.com

Each awarded project will be assigned an outreach manager. In addition to the contacts above, Technical Grantees may also contact their assigned outreach manager during project implementation.

CARB is also available to discuss FRIP funding. Contact FRIP staff via email at FRIP@arb.ca.gov.

6.2. Key Words and Definitions

Table 13 defines key words and terms used in these Guidelines.

Table 13: Key Words and Definitions

Word/Term	Definition
AB	Assembly Bill
Applicant	The company that applies to this solicitation to be considered for FRIP funding
AR4	The IPCC fourth assessment report
CARB	California Air Resources Board
CEQA	California Environmental Quality Act
Certified reclaimed refrigerant	Used (recovered) refrigerant that has been reclaimed by a U.S. EPA-certified refrigerant reclaimer and meets all specifications in 40 C.F.R. Part 82, Subpart F, Appendix A (Specifications for Refrigerants) (January 1, 2017).
CO ₂	Carbon dioxide
Cold storage	A refrigerated facility or warehouse used for the storage of temperature-controlled substances. This sector includes but is not limited to NAICS codes starting with 493.
Company	All businesses, affiliates, brands, subsidiaries, or franchises owned or operated by the same parent company
Cooling load ton	The refrigeration system's applied rate of heat transfer measured in tons at the cooling coils and heat exchangers OR the system capacity at applied

Word/Term	Definition
	conditions, whichever is less. The cooling load tons can be calculated by the cooling coils and other process heat exchanger specifications in the refrigeration drawings (plan views, equipment schedules and piping and instrumentation diagram set) or by engineering analysis.
Disadvantaged communities	Census tracts identified as disadvantaged by the California Environmental Protection Agency per SB 535 and designated using CalEnviroScreen 4.0. ⁴³ These include the 25% highest scoring census tracts in CalEnviroScreen 4.0, census tracts previously identified in the top 25% in CalEnviroScreen 3.0, census tracts with high amounts of pollution and low populations, and federally recognized tribal areas as identified by the Census in the 2021 American Indian Areas Related National Geodatabase.
DNV Energy Services USA	DNV Energy. A subgrantee to NASRC that supports FRIP administration.
F-gas	Fluorinated gases are synthetic gases used primarily as refrigerants in refrigeration systems. F-gases include but are not limited to HFCs, chlorofluorocarbons (CFC), and hydrochlorofluorocarbons (HCFC).
FRIP	F-gas Reduction Incentive Program
Full replacement	100% replacement of an existing refrigeration system using a minimum GWP refrigerant as defined in Table 4 with a refrigeration system using exclusively ultra-low-GWP refrigerants
Funding Guidelines	This entire document, including all appendices. The Funding Guidelines contain all the information necessary for applicants to apply for funding under FRIP. Also referred to as Guidelines.
FY	Fiscal Year
GHG	Greenhouse gas
GWP	Global warming potential
HFC	Hydrofluorocarbon
HFO	Hydrofluoroolefin
Independent facility	A facility that is the only facility owned or operated by a company. Under this definition, a company that owns or operates an independent facility must not own or

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<https://gis.carb.arb.ca.gov/portal/apps/experiencebuilder/experience/?id=6b4b15f8c6514733972cabdda3108348>

Word/Term	Definition
	operate any other facilities, businesses, affiliates, brands, subsidiaries, or franchises with refrigeration systems that are eligible for FRIP funding in this solicitation.
Indirect system	A system that uses a central refrigeration system to cool a secondary fluid that is then circulated throughout the facility to the cases
Industrial process refrigeration	Systems that cool process streams at a specific location in manufacturing and other forms of industrial processes and applications. These are complex, customized systems that are directly linked to the industrial process. Where one appliance is used for both industrial process refrigeration and other applications, it will be considered an industrial process refrigeration system if 50 percent or more of its operating capacity is used for industrial process refrigeration. This sector includes but is not limited to NAICS codes starting with 311 and 312.
IPCC	Intergovernmental Panel on Climate Change
Lb.	Pounds
Ln. ft.	Linear feet
Low-GWP	GWP of less than 150
Low-income communities	Census tracts identified as low-income per AB 1550 ⁴⁴
MTCO ₂ e	Metric tons of carbon dioxide equivalent
N/A	Not applicable
NAICS	North American Industry Classification System
NASRC	North American Sustainable Refrigeration Council, Inc. The selected FRIP administrator.
National supermarket chain	A retail food chain, brand name, or business operating more than 100 retail food facilities in the United States
Other refrigeration	Any stationary, non-residential refrigeration equipment that is used for an application other than retail food refrigeration, cold storage, industrial process refrigeration, or air-conditioning; or is used for two or more applications including retail food refrigeration, cold storage, ice rinks, industrial process refrigeration, commercial refrigeration, or air-conditioning
Partial replacement	Conversion of an existing refrigeration system using a minimum GWP refrigerant as defined in Table 4 to an

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<https://gis.carb.arb.ca.gov/portal/apps/experiencebuilder/experience/?id=6b4b15f8c6514733972cabdda3108348>

Word/Term	Definition
	indirect system. The indirect system in a partial replacement must be able to use some of the existing refrigeration system equipment and must use an ultra-low-GWP secondary refrigerant alongside a primary refrigerant that has a GWP <2,200 and ≤ the existing system refrigerant GWP.
Priority communities	Disadvantaged and low-income communities
Refrigeration equipment	Refrigeration mechanical equipment, refrigerant, evaporators, connecting piping, and valves and controls
Retail food refrigeration	Equipment designed to store and display chilled or frozen goods for commercial sale or use. This end-use includes, but is not limited to, the following categories of equipment: stand-alone units (equipment), refrigerated food processing and dispensing units (equipment), remote condensing units, and supermarket systems. This sector includes but is not limited to NAICS codes 445110, 452910, and 452112.
RMP	Refrigerant Management Program. Companies report to the Refrigeration Registration and Reporting System ⁴⁵ under CARB's RMP regulation. ⁴⁶
SB	Senate Bill
Sq. ft.	Square feet
TBD	To be determined
Technical Grantee	Applicant that receives FRIP funding and enters into a grant agreement with NASRC
Ultra-low-GWP	GWP of less than 10
Window 1	First application window. Window 1 will open on October 14, 2024 and close on January 31, 2025.
Window 2	Second application window. For sectors with available funding, Window 2 will open on March 3, 2025 and close on May 30, 2025.

6.3. Relevant Legislation

The following State legislation governs FRIP:

- AB 32, the Global Warming Solutions Act of 2006 (Nunez, Chapter 488, Statutes of 2006)⁴⁷

⁴⁵ <https://ssl.arb.ca.gov/rmp-r3/>

⁴⁶ California Code of Regulations, Title 17, Division 3, Chapter 1, Subchapter 10, Article 4.
<https://ww2.arb.ca.gov/our-work/programs/refrigerant-management-program>

⁴⁷ https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=200520060AB32

- AB 1532 (Perez, Chapter 807, Statutes of 2012)⁴⁸
- SB 535 (de León, Chapter 830, Statutes of 2012)⁴⁹
- SB 1018 (Budget and Fiscal Review Committee, Chapter 36, Statutes of 2012)⁵⁰
- SB 862 (Budget and Fiscal Review Committee, Chapter 36, Statutes of 2014)⁵¹
- AB 1550 (Gomez, Chapter 369, Statutes of 2016)⁵²
- SB 32 (Pavley, Chapter 249, Statutes of 2016)⁵³
- SB 1383 Short-lived climate pollutants: methane emissions: dairy and livestock: organic waste: landfills (Lara, Chapter 395, Statutes of 2016)⁵⁴
- SB 1013, the California Cooling Act (Lara, Chapter 375, Statutes of 2018)⁵⁵
- AB 1279 (Muratsuchi, Chapter 337, Statutes of 2022)⁵⁶
- SB 1206 Hydrofluorocarbon gases: sale or distribution (Skinner, Chapter 884, Statutes of 2022)⁵⁷

6.4. Fine Print

6.4.1. Reservation of Rights

CARB reserves the right to do any of the following:

- Allocate the funds in phases;
- Allocate funds from one sector to another depending on the number and quality of applications received;
- Limit or increase the number/amount of awards per entity;
- Cancel the pending award and fund the next eligible application;
- Remove discrete elements of projects selected for funding that CARB determines to be ineligible, in accordance with these guidelines and California Health and Safety Code section 44391.2(d);
- Reject an application and/or cancel an award;
- Limit the number of applications per organization for each grant solicitation or for each sector;
- Revise the amount of funds available under these Guidelines;
- Narrow the specific pool of eligible technologies for a particular solicitation;
- Conduct an audit of any project;

⁴⁸ https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=201120120AB1532

⁴⁹ https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=201120120SB535

⁵⁰ https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=201120120SB1018

⁵¹ https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=201320140SB862

⁵² https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB1550

⁵³ https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=201520160SB32

⁵⁴ https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=201520160SB1383

⁵⁵ https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB1013

⁵⁶ https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB1279

⁵⁷ https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB1206

- Negotiate with successful applicants to modify the project scope, schedule, and/or level of funding;
- Terminate a grant agreement if CARB determines, in its sole discretion, that the objectives cannot be reached or that the Technical Grantee cannot or will not perform the required work in accordance with the project timeline;
- Amend or cancel these Guidelines as needed; and/or
- Reject any or all applications received in response to these Guidelines.

6.4.2. Solicitation Cancellation and Amendment

It is the policy of CARB not to solicit applications unless there is a bona fide intention to give awards. However, if it is in the State's best interest, CARB reserves the right, in addition to any other rights it has, to do any of the following:

- Cancel the solicitation of applications for this program;
- Revise the amount of funds available under this solicitation;
- Amend the Guidelines as needed; and/or
- Reject any or all applications received in response to this solicitation.

If the Guidelines are amended, CARB will send a notification via a listserv notice⁵⁸ and will also post the amendments on CARB's website at: <https://ww2.arb.ca.gov/our-work/programs/f-gas-reduction-incentive-program>. NASRC will not reimburse applicants for application development expenses under any circumstances, including cancellation of the program.

6.4.3. Modification, Termination, or Withdrawal of Application

Applicants may withdraw a submitted application through the FRIP web portal or modify a submitted application by contacting NASRC at info@FRIPfunding.com before the grant agreement is executed. An application cannot be "timed" to expire on a specific date. For example, a statement such as the following does not apply: "This application and the cost estimate are valid for 60 days."

NASRC and CARB reserve the right to negotiate with Applicants to modify the project scope, the level of funding, or both. If NASRC is unable to successfully execute a grant agreement with an applicant, NASRC, in consultation with CARB, reserves the right to withdraw the pending award and fund the next eligible project. This does not limit NASRC's or CARB's ability to terminate or withdraw a proposed award for other reasons, including for no cause.

⁵⁸ Sign up to receive notices from FRIP at <https://www.fripfunding.com/>. Sign up to receive notices from CARB at <https://public.govdelivery.com/accounts/CARB/subscriber/new> and select the topic 'HFC-Reduction'.

Per section 5.3.3., once the grant agreement is executed, any change in the project budget, redefining of deliverables, or extension of the project schedule must be approved in advance and in writing by NASRC or CARB and may require an amendment to the grant agreement. Once a grant agreement is in place, minor changes to the work to be done or other project scope changes may be considered by NASRC, in consultation with the Technical Grantee.

6.4.4. Confidentiality

Upon submittal to NASRC, all applications will become property of the State of California. All applications will be treated in accordance with the California Public Records Act and Public Contracts Code requirements. CARB will post the application information identified in section 4.3 and other state agencies may use any of these documents or information for any purpose, including to determine eligibility and compliance with FRIP, applicable law, or a particular program document, to evaluate related or relevant programs or program elements, or to prepare reports. These documents and information include, but are not limited to, applications for funding, the agreement itself, invoices and any documentation submitted in support of applications, all agreement deliverables, final project report and documents prepared for other reporting requirements, and materials and documents developed as part of technology transfer activities.

If NASRC or CARB requires an applicant or a recipient to provide copies of records that the recipient believes contain confidential/proprietary information entitled to protection under the California Public Records Act or other law, the applicant or recipient may request that such records be designated confidential according to CARB's regulations as outlined in California Code of Regulations, title 17, sections 91000 et seq.

Applicants or recipients considering requesting confidentiality should note that Greenhouse Gas Reduction Funds are subject to information disclosure requirements to ensure transparency. Information concerning the identity of recipients and the grant amount are public information and will be disclosed according to the California Public Records Act. This information, as well as other public information, such as emissions and air pollution data, may also be disclosed through CARB's website, another State of California agency website, or through other means.

Under state law, CARB may disclose confidential information and records to other governmental entities and policing authorities for civil and criminal investigation and enforcement purposes.

6.4.5. Errors in the Program Guidelines

If an applicant discovers any ambiguity, conflict, discrepancy, omission, or other error in the Guidelines, the applicant must immediately notify CARB of the error in writing and request modification or clarification of the document. CARB will provide modifications or clarifications via a listserv notice.⁵⁹ CARB is not responsible for failure to correct errors in the Guidelines.

6.4.6. Immaterial Defect

NASRC or CARB may waive any immaterial defect or deviation contained in an application. This waiver will not modify the application or excuse the successful applicant from full compliance with program requirements.

6.4.7. Applicant's Admonishment

These Guidelines contain the instructions governing the requirements for funding projects submitted by interested applicants, including the format in which the information is to be submitted, the material to be included, the requirements that must be met to be eligible for consideration, and applicant responsibilities. Applicants must take the responsibility to carefully read the entire Guidelines, ask appropriate questions in a timely manner, submit the application with all required responses in a complete manner by the required date, and make sure that all procedures and requirements of the Guidelines are followed and appropriately addressed.

6.4.8. Incorporation by Reference

The content of these Guidelines and each grant application shall be incorporated by reference into the final Grant Agreement. See the sample Technical Grantee Agreement Template (Appendix A).

6.4.9. Grounds to Reject Applications or Cancel Awards

CARB reserves the right to reject an application and/or to cancel an award, including but not limited to the following circumstances:

- The application contains false or intentionally misleading statements or references that do not support an attribute or condition contended by the applicant;

⁵⁹ Sign up to receive notices from FRIP at <https://www.fripfunding.com/>. Sign up to receive notices from CARB at <https://public.govdelivery.com/accounts/CARB/subscriber/new> and select the topic 'HFC-Reduction'.

- The application is intended to erroneously and fallaciously mislead the State in its evaluation and the attribute, condition, or capability is a requirement of this solicitation;
- The application does not comply or contains caveats that conflict with the solicitation, and the variation or deviation is material;
- The applicant has received unsatisfactory agreement evaluations from CARB or another California state agency;
- The applicant is a business entity that is not in good standing with the California Secretary of State;
- Existence of information demonstrating the applicant does not have the financial capability to complete the project;
- The applicant fails to meet CEQA compliance or other legal requirements within sufficient time for CARB to meet its expenditure deadline, as CARB in its sole and absolute discretion may determine;
- Any other reason that could give CARB cause to reject or cancel the award.