

**State of California
AIR RESOURCES BOARD**

EXECUTIVE ORDER H4-26-002

Variance from Prohibitions on Use of Certain Hydrofluorocarbons in Stationary Refrigeration, Stationary Air-Conditioning, Cold Storage, and Other End-Uses

**Vertiv Corporation
Other Air-conditioning Equipment**

WHEREAS, pursuant to California Health and Safety Code sections 39601, 39730, 39730.5, and 39734, the California Air Resources Board (CARB) has established prohibitions on the use of certain hydrofluorocarbons (HFCs) in refrigeration, air-conditioning, cold storage and other end uses, as described in California Code of Regulations, title 17, section 95371 et. seq. (HFC Regulation);

WHEREAS, under California Code of Regulations, title 17, sections 95374 subsection (c) and 95375 subsection (c) no person shall sell, install, use or otherwise enter into commerce in California any new Other Air-conditioning equipment with a global warming potential (GWP) of 750 or greater as of January 1, 2025;

WHEREAS, California Code of Regulations, title 17, section 95378 allows an Applicant to submit a request for a variance from the requirements of sections 95374 and 95375;

WHEREAS, the Executive Officer may grant a variance if the Executive Officer determines that the Applicant has proven by clear and convincing evidence that the criteria for a variance specified in section 95378, subsection (b) has been met and that the Applicant has complied with all application requirements specified in section 95378, subsection (c);

WHEREAS, under section 95378, subsection (b)(1), the Executive Officer may grant a variance for impossibility if the Applicant cannot comply with the regulatory requirements, and the Applicant can demonstrate all of the following criteria: (1) A lower-risk substitute is not currently or potentially available; (2) An exemption will not increase the overall risk to human health or the environment; and (3) The Applicant has used best efforts to anticipate and address the impossibility and any potential noncompliance;

WHEREAS, on September 11, 2025, Vertiv Corporation (Vertiv) applied for a variance from the requirements under sections 95374 and 95375 of the HFC Regulation for Other Air-conditioning equipment;

WHEREAS, on October 10, 2025, a delegee of the Executive Officer determined that the variance application was complete;

WHEREAS, a delegee of the Executive Officer posted the Vertiv variance application for public comment beginning October 24, 2025, and ending November 24, 2025, during which time public comment was invited, and one comment was received. Public comment supported approval of the requested variance;

WHEREAS, a delegee of the Executive Officer considered all the submitted public comments in the context of the section 95378 variance criteria;

WHEREAS, Vertiv requested a variance to utilize R-410A (GWP 2,088) until December 31, 2026;

WHEREAS, a delegee of the Executive Officer affirmed that the Vertiv series product families Liebert Mini-Mate (MM/MT), Libert CRV (CR) and DataMate (DM) (herein collectively referred to as "Vertiv equipment") meet the definition of "Other Air-conditioning equipment" as described in section 95373 of the HFC Regulation, and are, and have been, prohibited from containing refrigerants with a GWP of 750 or greater if manufactured after January 1, 2025 as described in Table 3 in section 95374(c) of the HFC Regulation;

WHEREAS, Vertiv presented evidence that in 2022 Vertiv began designing computer room air conditioners (CRACs) capable of using compliant refrigerants, R-32 and R-454B, instead of non-compliant refrigerants, R-410A and R-407C. Vertiv has encountered supply chain barriers to completing the transition due to lack of availability of components compatible with compliant refrigerants and certification laboratories' backlogs;

WHEREAS, Vertiv will need to redesign the Vertiv equipment to bring them into compliance with the HFC Regulation requirements, and Vertiv presented substantial evidence that it cannot fully complete the redesign, testing, manufacturing, and certification process for HFC Regulation compliance before January 1, 2027;

WHEREAS, a delegee of the Executive Officer did not dispute Vertiv's assessment of the time Vertiv would need to bring the Vertiv equipment into compliance with the HFC Regulation requirements;

WHEREAS, Vertiv proposed in its variance application to manufacture and sell Vertiv equipment using no more than 1,449 pounds of R-410A refrigerant across all Vertiv equipment until December 31, 2026, and to reduce excess greenhouse gas (GHG) emissions that will result from the granting of this variance through the purchase of equivalent carbon emission offsets;

WHEREAS, Vertiv has demonstrated that in the absence of a variance they cannot comply with the HFC Regulation;

WHEREAS, Vertiv has demonstrated that a lower-risk substitute is not currently or potentially available due to lack of availability of components compatible with compliant refrigerants and certification laboratory backlogs;

WHEREAS, Vertiv has demonstrated that an exemption will not increase the overall risk to human health or the environment because Vertiv will reduce excess GHG emissions that may result from the granting of this variance through the purchase of equivalent carbon emission offsets;

WHEREAS, Vertiv has demonstrated that it has used best efforts to anticipate and address the impossibility and any potential noncompliance;

WHEREAS, a delegee of the Executive Officer issued Executive Order No. H4-26-001 to Vertiv on January 20, 2026;

WHEREAS, based on Vertiv's self-disclosure, a delegee of the Executive Officer determined that Vertiv intends to violate the requirements of Executive Order No. H4-26-001 by using R-407C in Vertiv equipment;

WHEREAS, a delegee of the Executive Officer determined that manufacture and sale of Vertiv equipment using no more than a total of 1,449 pounds of R-410A and R-407C refrigerant across all Vertiv equipment until December 31, 2026 meets the criteria for a variance specified in section 95378, subsection (b) of the HFC Regulation, and that Vertiv has complied with all application requirements specified in section 95378, subsection (c) of the HFC Regulation;

WHEREAS, a delegee of the Executive Officer determined that inclusion of R-407C (GWP 1,774) in Vertiv's variance application, in addition to R-410A (GWP 2,088), will result in lower total GWP emissions than considered in granting Executive Order No. H4-26-001, and will not reduce the effectiveness of Vertiv's mitigation of excess GHG emissions that may result from the granting of this variance by purchasing carbon offsets equal to 1,275 MTCO₂e by June 20, 2026.

NOW, THEREFORE, I, Michael FitzGibbon, based on materials and testimony submitted by Vertiv, and additional information and testimony received during the public comment period, find that:

1. Vertiv cannot meet the requirements of Table 3 in section 95374(c) of the HFC Regulation for reasons beyond its control, including the lead time required to design, test, manufacture, and bring to market fully compliant products;
2. A lower-risk substitute refrigerant with a GWP less than 750 is not currently available to Vertiv for new Other Air-conditioning equipment;
3. Vertiv's requested exemption from the HFC Regulation requirements will not increase the overall risk to human health or the environment;
4. Vertiv has used best efforts to anticipate and address the impossibility and any potential noncompliance;
5. Vertiv's request for a variance described the extraordinary economic hardship from Vertiv's immediate compliance with the HFC Regulation;
6. Vertiv's request for a variance included a mitigation plan demonstrating how Vertiv will reduce excess GHG emissions to a level equal to or below what would have been emitted had the Vertiv to be in compliance and how Vertiv will mitigate any negative impacts to human health or the environment.
7. Vertiv request for a variance included a compliance plan that describes in detail how compliance will be achieved as expeditiously as possible, including the method by which compliance will be achieved, milestone dates, and milestone achievements; and

Based on the entire record, Vertiv has proven by clear and convincing evidence that it has met the criteria for issuance of a variance for the Vertiv equipment for 2025 through 2026 with the conditions specified below because: (a) A lower-risk substitute is not currently or potentially available; (b) An exemption will not increase the overall risk to human health or the environment; and (c) The Applicant has used best efforts to anticipate and address the impossibility and any potential noncompliance.

This Executive Order modifies, replaces and supersedes Executive Order No. H4-26-001 issued by CARB on January 20, 2026.

IT IS ORDERED AND RESOLVED that Vertiv is granted a variance until December 31, 2026 to manufacture and sell Vertiv equipment using no more than 1,449 pounds of R-410A and R-407C refrigerant which does not otherwise comply with the HFC Regulation requirements for "Other Air-conditioning equipment" as described in California Code of Regulations, title 17, section 95734.

IT IS FURTHER ORDERED that this variance is granted subject to Vertiv's adherence with their plan to bring Vertiv equipment into compliance by January 1, 2027. Vertiv shall maintain records substantiating their adherence with this compliance plan. Records of the compliance plan shall be made available to the Executive Officer, or their delegee, upon request.

IT IS FURTHER ORDERED that Vertiv will mitigate excess GHG emissions that may result from the granting of this variance by purchasing carbon offsets equal to 1,275 MTCO_{2e}. Vertiv will complete this mitigation plan by June 20, 2026. Vertiv shall maintain records substantiating adherence with this mitigation plan. Records of the mitigation plan must be made available to the Executive Officer, or their delegee, upon request.

IT IS FURTHER ORDERED that if Vertiv is unable to transition any of the Vertiv equipment covered under this variance to HFC Regulation compliant alternatives by January 1, 2027, then such non-compliant equipment shall not be installed, used or otherwise entered into commerce in California and will be subject to all the prohibitions for "Other Air-conditioning equipment" as described in California Code of Regulations, title 17, section 95734 and requirements of section 95375.

IT IS FURTHER ORDERED that the final date for this variance from HFC Regulation compliance will be allowed for Vertiv equipment covered by this variance is December 31, 2026.

IT IS FURTHER ORDERED that this variance is granted solely to Vertiv and is not transferrable.

Executed in Sacramento, California April 27, 2026.

Mike FitzGibbon

Michael FitzGibbon, Chief
Atmospheric Science and Climate Strategies Branch
Research Division
CALIFORNIA AIR RESOURCES BOARD