

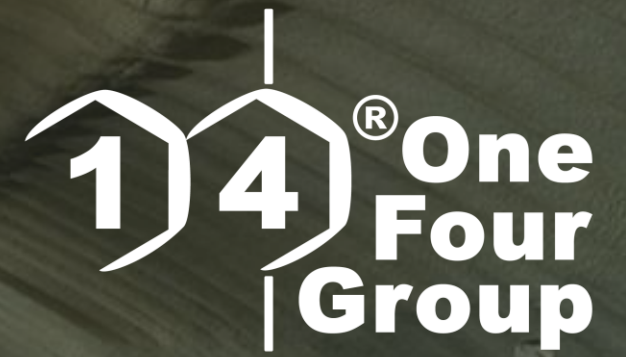
2026 Potato Business Summit



2026 Potato Business Summit



Steve Elfering
CEO
1,4GROUP



Navigating HFC Regulations The AIM Act

What It Means for The
North American Potato
Storage Sector



SCAN FOR MORE INFORMATION

Overview

Regulatory context:

HFCs (Hydrofluorocarbons) are synthetic gases, primarily used as refrigerants in refrigeration. These replaced ozone-depleting substances but are now being phased down because they are potent greenhouse gases regulated under international law

- ▶ **The AIM Act (U.S.):** *U.S. law to reduce HFCs via quotas and technological innovation*
- ▶ **ODSHAR (Canada):** *Canadian framework aligning with global climate targets*
- ▶ **Impacts on Storage:** *Regulations affect refrigeration systems used in potato storage*
- ▶ **NAPSO Role:** *Help stakeholders navigate change and influence policy.*

Regulatory Background

- ▶ **Kigali Amendment:**
Treaty obligating nations to phase down HFCs
- ▶ **Canada & U.S. Commitment:**
Both adopted policies to meet Kigali targets
- ▶ **Timelines:**
Reduction steps implemented in 2020 with a commitment to cut HFC by 85% by 2036 in stages.

AIM Act: Implications for Storage

- ▶ **Leak Detection:**

Monitoring of refrigerant loss is mandated

- ▶ **Reporting:**

Contractors, Storage Owners, Refrigerant Suppliers must keep records and be prepared to submit reports

- ▶ **Upgrades:**

Facilities may need to replace legacy systems.

ODSHAR Overview (Canada)

- ▶ **Framework:**
Built into Canada's Environmental Protection Act
- ▶ **Permitting:**
Controls entry and exit of HFCs through licensing
- ▶ **Disposal:**
Encourages recovery and recycling of HFCs.

Key Similarities

- ▶ **Shared Goal:**
85% reduction target by 2036
- ▶ **Enforcement:**
Permit/allocation systems regulate use
- ▶ **Innovation:**
Incentivizes switch to greener refrigerants.

Key Differences

- ▶ **Legislation:**
ALM is a new act; ODSHAR modifies older law
- ▶ **Economic Framing:**
*U.S. emphasizes competitiveness;
Canada environmental stewardship*
- ▶ **Regional Powers:**
*U.S. states act independently;
Canada is mostly federal*

What this Means for Storage Operators

- ▶ **Compliance:**
Operators must stay current with evolving rules
- ▶ **Investment:**
Storage Refrigeration systems may require updates rather than repairs. New systems will require new Refrigerants
- ▶ **Training:**
Personnel must understand new expectations.

Industry Role Moving Forward



Engage: Collaborate with regulators and tech providers



Adopt: Embrace new cooling technologies



Advocate: Ensure storage realities are represented



Educate: Share updates and best practices with members.



Support: *Offer tools for evaluating compliance.*



Represent: *Bring grower concerns to policy discussions.*

Questions & Follow-Up



SCAN FOR MORE INFORMATION

