



FRIP



NORTH AMERICAN
**Sustainable
Refrigeration
Council**

F-gas Reduction Incentive Program (FRIP): Commercial and Industrial Refrigeration Funding Guidelines Addendums 01 & 02

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The purpose of these addendums is to make the following revisions, based on public feedback, to the California Air Resources Board's (CARB) F-gas Reduction Incentive Program (FRIP): Commercial and Industrial Refrigeration Funding Guidelines, originally posted on September 5, 2024.¹ This document includes Addendum 01, originally posted on January 13, 2025, and Addendum 02, which contains new updates for Window 2 of the Commercial & Industrial Refrigeration solicitation. All updates from Addendum 01 are applicable to Window 2.

Addendum 02 covers the following significant changes:

- Length of Application Window 2 extended to six months.
- Besides a time-limited funding set-aside for small and independent retail food refrigeration facilities, sector-specific funding set-asides removed. All sectors will be eligible to access the remaining funding on a first come, first served basis.
- Increased maximum incentive award per facility and per company maximum for Retail Food Refrigeration companies that own or operate less than 20 facilities in California.
- Increased per company maximum for Retail Food Refrigeration companies that own or operate 20 or more facilities in California and national supermarket chains operating in California.
- Increased maximum incentive award per facility (depending on existing system charge size) and per company maximum for Industrial Process Refrigeration, Cold Storage, and Other Refrigeration.

Note: Added language relative to the original Funding Guidelines appears in bold underline and deleted language appears in strikethrough and within square brackets.

¹[FRIP Funding Guidelines CI Refrigeration](#)

Addendum 02

1) Page 5, Table 2: Application Window Dates

Application Window	Opening Date	Closing Date
Window 1	October 14, 2024	January 31, 2025
Window 2	March 3, 2025	[May 30, 2025] <u>August 29, 2025</u>

2) Page 6, 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 ² operating in California	[\$18.2]	\$18.2	[Remaining funds] <u>Up to \$33</u>
Retail Food Refrigeration	Companies that own or operate less than 20 retail food facilities in California	[\$12.3]	\$6.15	[\$6.15] <u>At least \$6.15**</u>
Industrial Process Refrigeration	N/A	[\$5]	\$5	[Remaining funds] <u>Up to \$33</u>
Cold Storage and Other Refrigeration	N/A	[\$3]	\$3	[Remaining funds] <u>Up to \$33</u>

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

****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 less than 20 retail food facilities in California.**

3) Page 9: 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 [+/- 15%] **no less**

² 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.

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.

- 4) Page 10: 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.**
- 5) Page 11: Applicants may use CARB's interactive mapping tool **(link updated)**³ to identify whether their project is located in a priority community.
- 6) Page 11: 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** is awarded to projects that include partial replacements, additional applications received that include partial replacements will be placed on the waitlist.

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[<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

7) Page 11, 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
Independent facilities or facilities owned or operated by companies with less than 20 retail food facilities in California	[\$700/ln. ft. of case \$10/sq. ft. of walk-in] <u>\$1,400/ln. ft. of case</u> <u>\$20/sq. ft. of walk-in</u>	[\$350/ln. ft. of case \$7/sq. ft. of walk-in] <u>\$700/ln. ft. of case</u> <u>\$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.

8) Page 12, Table 6: Retail Food Refrigeration Company Incentive Maximums

Company Size	<u>\$ [or Facility] per Parent Company Maximum</u>	<u>\$ per Facility Maximum</u>
Companies that own or operate 20 or more retail food facilities in California or national supermarket chains operating in California	[\$1 million (or \$1.1 million if at least two facilities are located in priority communities)] <u>\$2 million (or \$2.2 million if at least four facilities are located in priority communities)</u>	\$400,000 (or \$500,000 for facilities located in priority communities)
Companies that own or operate less than 20 retail food facilities in California	[One facility] <u>Two facilities</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.

- 9) Page 12: 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~~

~~>3,900⁴ 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.]~~

- 10)Page 13: 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 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.]~~

- 11)Page 24: 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].~~

⁴ Common refrigerants with a GWP > 3900 are R-404A and R-507.

Addendum 01

12)Page 8, 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 ⁵	N/A
Industrial Process Refrigeration	>1,800 GWP ⁶	[2,000 lb.] 500 lb. ⁷
Cold Storage and Other Refrigeration	>1,800 GWP ⁶	[1,000 lb.] 500 lb. ⁷

13)Page 9: 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 certified⁸ or have equivalent maximum daily energy consumption.⁹ 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.

⁵ Common refrigerants with a GWP >1,300 per the Intergovernmental Panel on Climate Change (IPCC) 4th Assessment Report (AR4) include R-22, R-407A, R-404A, R-507A, R-448A, and R-449A.

⁶ Common refrigerants with a GWP >1,800 per IPCC's AR 4 include R-22, R-407A, R-404A, and R-507A.

⁷ The majority of the charge size of the existing systems to be replaced must be from systems with >50 lb. of refrigerant.

⁸ [ENERGY STAR Certified Commercial Refrigerators and Freezers | EPA ENERGY STAR](#)

⁹ [Commercial Refrigerators & Freezers Key Product Criteria | ENERGY STAR](#)

~~[When propane is used as a refrigerant in these systems, charge sizes must be consistent comply with the latest refrigeration safety standards in California¹⁰ to ensure energy efficient operation.]~~ Existing, field-erected indirect systems, which are only eligible for replacement in the Industrial Process Refrigeration sector, must be 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.

¹⁰ ~~Underwriters Laboratories (UL) 60335-2-89 Edition 2 and ASHRAE 15 (2022) are effective in California starting July 1, 2024.~~