



Submitting Requests for Additional HFC Consumption Allowances

*HFC Allocation Rule Reporting Instructions
May 2023*

INTRODUCTION

This document describes the data elements and documentation required when submitting an HFC Request for Additional Consumption Allowances (RACA) Report and provides best practices to help expedite the review process. The remainder of this document is organized as follows:

- Reporting Form Data Elements
- Supporting Documentation
- Best Practices
- Additional Resources

REPORTING FORM DATA ELEMENTS

Section 1 – Company Identification

- **Company Name:** The name under which your company is registered in HAWK.
- **Company ID:** The ID assigned to your company in HAWK (e.g., AIM001).
- **Reporting Year:** The year in which regulated substances were exported and for which additional consumption allowances are being requested.
- **Employer Identification Number (EIN):** The EIN under which your company exported HFCs.

Section 2 – Allowance Recipient Identification

- **Company Name:** The name under which the recipient company is registered in HAWK.
- **Company ID:** The ID assigned to the recipient company in HAWK (e.g., AIM001).

When Can I Request and Expend Additional Consumption Allowances?

Additional consumption allowances may be requested for HFCs that were exported during the current calendar year. If granted, the consumption allowances are valid until December 31 of the same calendar year in which the regulated substances were exported.

Who Is Eligible to Receive Additional Consumption Allowances?

Allowances may only be granted to the **producer, importer, or exporter** of the exported material.

Section 3 – Export Information

For each transaction, include the following:

- **Date of Export:** The date on which the regulated substance was exported from the United States. This date should match the export date as recorded in the U.S. Customs and Border Protection (CBP) Automated Export System (AES).
- **Shipment Reference Number:** A reference number that appears on all supporting documents can be used to connect the supporting documentation to the reported transactions (e.g., bill of lading or order #).
- **Port of Exit:** Select the shipment’s port of exit from the dropdown menu.
- **Harmonized Tariff Schedule (HTS) Code:** Provide the HTS code for the exported material. Refer to the [HFC Allowance Calculator](#) for a list of relevant HTS codes.
- **Country to Which the HFCs Were Exported:** Select the shipment’s destination country from the dropdown menu. The reported country should match the destination country that appears in AES. Provide clarification in a separate document if the destination country in AES deviates from the reported country (e.g., material was transshipped through an intermediary country, or material was offloaded at a port that was not the final destination of the vessel).
- **HFC Exported:** Select the HFC exported from the dropdown menu. For blends, each component must be reported as a separate transaction.
- **Quantity Exported (kg):** The quantity of the exported HFC in kilograms. This quantity must be supported by the invoice, bill of lading, and AES. Provide clarification in a separate document if the reported quantity deviates from the invoice, bill of lading, or AES.
- **Recipient Company Contact Information:** The company name, company address, contact name, contact telephone number, and contact email of the company receiving the HFC.
- **Source Information:** The name of the company that either produced or imported the HFC and the date on which the material was purchased from the producer or importer, if applicable. If the material was imported, additionally select from the dropdown menu the country from which the material was imported.

HTS Codes

The HTS code reported should reflect the commodity that was exported. If the HFC was exported as part of a **blend**, report the corresponding blend HTS code. If material was exported in a cylinder as part of a **fire suppression system**, report the corresponding HTS code for the neat HFC. The HTS code reported to EPA should match the HTS code under which the export was filed in AES.

Unit Conversions and Rounding

When converting from pounds (lbs) to kilograms, ensure you use the following conversion factor:

1 pound = 0.4536 kilograms

In addition, values in kilograms should be rounded to include at least two significant digits to ensure accuracy of shipment totals that include multiple containers.

REQUIRED SUPPORTING DOCUMENTATION

The following documentation must additionally be provided for each transaction to verify the exports. Documentation should be clearly labeled (either in the file name or within the file) to indicate the transaction to which each document corresponds.

- 1. Invoice:** An invoice documenting the sale of the regulated substance to the purchaser. The invoice must specify the chemical and quantity sold.
- 2. Bill of Lading:** A bill of lading documenting the chemical and net quantity shipped. A bill of lading should document the export of the material from the United States to the destination country. If you use a freight forwarder and are unable to obtain a copy of the bill of lading documenting the export, a bill of lading documenting the shipment to an intermediary destination within the United States may instead be included along with Customs documents from the destination country that verify the release of the goods into commerce.
- 3. Internal Transaction Number (ITN) and Electronic Export Information (EEI) document:** ITNs can be found on the EEI document associated with each export. RACA submissions should include both the ITN and the EEI document. ITNs allow EPA to efficiently verify reported exports in AES. Each ITN begins with an X and consists of the year, month, day of acceptance and a 6-digit random number. For example, an ITN for an accepted filing on January 1, 2022, would look like X20220101999999. In some cases, a given export shipment may include multiple shipping containers, International Organization for Standardization (ISO) containers, railcars, etc. In these cases, the EEI document should list the container numbers for each of these individual containers. In addition, the “net weight” on the EEI should be the net weight of all the containers included in the shipment. Exporters may need to coordinate with their broker to ensure these data are entered correctly.

What If My Shipment Does Not Have an ITN?

Per CBP exemptions, ITNs are not required to be issued for certain exports valued under \$2,500 and exports destined for Canada. However, EPA encourages exporters to request ITNs, even in cases where they may not be required under CBP regulations. This will expedite the RACA review process.

In the event an ITN is not available, **Customs documentation from the destination country** verifying the release of the goods into commerce must be included. This documentation should specify the chemical and quantity released into commerce. In addition, if these documents are not in English, a translation should be provided.

Note that EPA has proposed to require that a valid ITN and EEI document be provided as part of future RACA submissions.

BEST PRACTICES

The following are best practices to help expedite the review process.

- ❖ **Cover Letter:** If there are known discrepancies or anticipated flags, provide a cover letter that clarifies the reason for these discrepancies.

- ❖ **Supporting Documentation Labeling:** Clearly note either within the file name or within the document which transaction number each document supports. Alternatively, use another identifier such as the shipping reference number to clearly associate the documentation with the reported transactions.
- ❖ **Highlight Relevant Information:** If the invoices and bills of lading provided include information on other materials or if the regulated substance is shipped within a blend, highlight the relevant entry in the documentation to clearly connect the documentation to the reported transaction.
- ❖ **Blend Composition Information:** If reporting on blends that are referred to by their trade name or have a proprietary formulation, provide information on the blend composition to allow for verification of the reported quantity.
- ❖ **ITN Table:** Include a table in a separate file that lists the ITN for each transaction.
- ❖ **Electronic Export Information:** Include the EEI documentation for each ITN.
- ❖ **Grouping Requests:** Strategically group transactions (e.g., shipments to the same country) to avoid duplication across reports.
- ❖ **Report Size:** Consider the number of transactions included in each request. Because reports cannot be processed on a transaction-by-transaction basis, reports with a larger number of transactions may take longer for EPA to process.
- ❖ **Timely Submissions:** Submit reports as early in the year as possible to allow for adequate review time and iteration, as needed.
- ❖ **Resubmissions:** When resubmitting a report, provide a cover letter that details the changes made. Do not re-order or add new transactions. If a transaction is removed, please clarify this in your cover letter.

ADDITIONAL RESOURCES

- [HFC Allowance Calculator](#) includes list of relevant HTS codes.
- [Submitting HFC Reports](#) includes information on the report submission process.