

40 CFR 84.33 Phasedown of Hydrofluorocarbons: Auditing of Recordkeeping and Reporting

Guidance for Auditors

This document provides guidance for individuals and organizations contracted to provide a third-party audit of entities regulated under 40 CFR part 84 as required by [40 CFR 84.33\(a\)](#):

“Any person producing, importing, exporting, reclaiming, or recycling for fire suppression a regulated substance, as well as any person receiving application-specific allowances, must arrange for annual third-party auditing of reports submitted to EPA except for persons receiving application-specific allowances for mission-critical military end uses.”

The EPA has determined that attestation engagements, specifically agreed-upon procedures (AUP) engagements, performed in accordance with the AICPA Attestation Standards, specifically AT-C section 215 *Agreed-Upon Procedures Engagements*, by an independent certified public accountant (CPA), meet the audit requirement established in the Hydrofluorocarbon (HFC) Allocation Framework Rule, “Phasedown of Hydrofluorocarbons: Establishing the Allowance Allocation and Trading Program under the AIM Act” (86 FR 55116). The AUP engagements should be performed for all activity that occurred during or impacted allowances for the compliance period (i.e., January 1 – December 31). This document offers guidance for developing AUP engagements that align with the regulatory requirements; it remains the responsibility of each third-party CPA and each regulated entity to address all applicable requirements of [40 CFR 84.33](#).

Auditors must be CPAs that are independent of the regulated entity. In addition, they must meet the employment and financial criteria outlined in [40 CFR 84.33\(h\)](#). The engagements are expected to be performed on an annual basis for all HFC producers, importers, exporters, reclaimers, and fire suppressant recyclers, regardless of whether those entities receive allowances, and entities receiving application-specific allowances, with the exception for entities receiving application-specific allowances for mission-critical military end uses.

In accordance with [40 CFR 84.33](#), CPAs must prepare a report identifying the applicable procedures specified in the regulations along with the corresponding findings for each procedure. The CPA’s findings must identify any instances where compared values do not agree or where specified values do not meet applicable requirements under the regulations. A CPA can satisfy the regulation attest requirement by including procedures that the regulated entity submitted all the required reports to the EPA, or specify which reports are missing. The final report should consist of (1) a summary of findings (i.e., a list of exceptions) and (2) a description of findings for each agreed upon procedure, including a list of all records reviewed.

The particular records subject to AUP engagements will differ depending on the activities the entity undertakes (e.g., HFC production or import), but to ensure consistency amongst

engagements and compliance with the regulatory requirements, the EPA recommends that CPAs should, at a minimum, follow the guidance below.

The final AUP report must be submitted electronically to the EPA by May 31 of the year following the compliance period and must be shared with the EPA at the same time as, or prior to, sending the results to the regulated entity. To submit your report to the EPA:

1. Register with the ODS Program in the Central Data Exchange (CDX)¹
 - EPA recommends registering for CDX at least two weeks in advance of the reporting deadline to ensure sufficient time to work through any challenges with registration.
2. In addition to the final report, CPAs should provide an HFC Third-Party Audit Summary in table format to the EPA containing the following information:
 - Column 1: Contact information for the CPA that completed the engagement,
 - Column 2: Name of the regulated entity for whom the engagement was conducted, including the company's HFC and ODS Allowance Tracking System (HAWK) ID, and
 - Column 3: Description of the findings from each procedure performed, including sufficient details on exceptions found.

The EPA has developed a recommended HFC Third-Party Audit Summary template to develop the required summary table. The template is available at <https://www.epa.gov/climate-hfcs-reduction/reporting-and-recordkeeping-resources>. This summary is not intended to replace or supplant the findings described in the final report and is not the official record of the AUP engagement. This information should be submitted as a separate attachment, either as a PDF or Excel file.

3. Upload and submit the completed HFC Third-Party Audit Summary along with the final report through the Other Document workflow within CDX.² The Audit Summary should be in a format that contains the same column headings as those included in the HFC Third-Party Audit Summary template so it can be easily integrated into the EPA's database.
 - Select "HFC Third-Party Audit" as the document type.

Note that the report identifying the applicable procedures specified in this section along with the CPA's corresponding findings for each procedure is for the EPA's internal use. The EPA has determined these reports are to be considered "confidential business information."

The EPA may modify this guidance for future years based on the results of third-party AUP engagements and experience implementing the HFC phasedown.

For all questions related to registration and submission of an audit, please contact the EPA at HFCAllocation@epa.gov.

¹ See <https://www.epa.gov/ods-phaseout/registering-cdx-user>

² See <https://www.epa.gov/ods-phaseout/submitted-other-documents-epa>

Producers, Importers, and Exporters of Regulated HFCs

Item	Records to be Provided by Regulated Entity	Procedures Performed by CPA	Regulatory Citation
Producers, Importers, and Exporters			
1	<ul style="list-style-type: none"> Copies of all HFC Producer Quarterly Reports, HFC Importer Quarterly Reports, and HFC Exporter Quarterly Reports submitted to the EPA by the regulated entity for the compliance period 	<ul style="list-style-type: none"> Obtain the data reported in all sections of each HFC Producer Quarterly Report, HFC Importer Quarterly Report, and HFC Exporter Quarterly Report 	<ul style="list-style-type: none"> 84.33(b) – For producers, importers, and exporters, auditors must review the inputs the regulated entities used to develop quarterly and annual reports
2	<ul style="list-style-type: none"> The EPA public notice of entities receiving production and consumption allowances that is issued by October 1 of the calendar year prior to the year in which the allowances may be used Copies of the balance statements generated by the EPA and provided to the regulated entity Internal records tracking allowance balance(s) 	<ul style="list-style-type: none"> Obtain the EPA public notice of entities receiving production and consumption allowances that was issued by October 1 of the calendar year prior to the year of this guidance. Compare the quantity of allowances allocated by the EPA to internal records for the relevant year r Report any variances 	<ul style="list-style-type: none"> 84.33(b)(1) – The amount of production and consumption allowances allocated
3	<ul style="list-style-type: none"> For all allowance transfers pertaining to the compliance period, internal records, contracts, and/or communications that document the transfer of allowances between companies 	<ul style="list-style-type: none"> For each allowance transfer, obtain a listing of the following information from the regulated entity: <ul style="list-style-type: none"> The type and quantity of allowances transferred In the case of application-specific allowance transfers, the specific application for which allowances were transferred The transferor and transferee The date of transfer The total cost of the allowances transferred 	<ul style="list-style-type: none"> 84.33(b)(2) – The amount, timing, and parties to allowance transfers, and the associated documentation and offset amount 84.19(a)(1) – I A person may transfer production, consumption or application specific allowances with a 5% offset for production and consumption allowances and 1% for application specific allowances
	<ul style="list-style-type: none"> For each allowance transfer to another company: <ul style="list-style-type: none"> Copy of the HFC Inter-Company Transfers Report submitted to the EPA by the regulated entity Copy of the associated non-objection notice generated by the EPA and provided to the regulated entity Copy of the balance statement generated by the EPA and provided to the regulated entity 	<ul style="list-style-type: none"> For each allowance transfer, compare the following from the internal records, contracts, and/or communications to the HFC Inter-Company Transfers Report, non-objection notice, and balance statement: <ul style="list-style-type: none"> The type and quantity of allowances transferred The transferor and transferee The date of transfer The total cost of the allowances transferred For each allowance transfer, recalculate the associated offset amount, in accordance with 40 	

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	<ul style="list-style-type: none"> • For each allowance transfer from another company: <ul style="list-style-type: none"> ○ Copy of the associated non-objection notice generated by the EPA and provided to the regulated entity ○ Copy of the balance statement generated by the EPA and provided to the regulated entity 	<p>CFR 84.19(a)(1), utilizing the internal records, contracts, and/or communications</p> <ul style="list-style-type: none"> ○ Compare the calculated offset amount to the quantity listed in the HFC Inter-Company Transfers Report and corresponding non-objection notice • Report any variances <ul style="list-style-type: none"> • For each allowance transfer, compare the quantity of allowances transferred to the regulated entity, as determined utilizing the internal records, contracts, and/or communications, to the quantity added to the transferee's (regulated entity's) allowance balance, as listed on the non-objection notice and balance statement • Report any variances 	
4	<ul style="list-style-type: none"> • For producers: <ul style="list-style-type: none"> ○ Dated records of the quantity of each regulated HFC produced at each facility ○ Dated records of the quantity of regulated HFCs produced for use in processes that result in their transformation or destruction ○ Dated records of the quantity of regulated HFCs sold for use in processes that result in their transformation or destruction ○ Copies of invoices or receipts documenting sale of regulated HFCs for use in processes that result in their transformation or destruction ○ Dated records of the quantity of each regulated HFC used at each facility for transformation or destroyed in the manufacture of a regulated HFC or in the manufacture of any other substance, and any regulated HFC introduced into the production process of the same regulated HFC at each facility ○ Copies of any additional in-house records and/or databases containing production data • For importers: <ul style="list-style-type: none"> ○ Dated records identifying the quantity of each regulated HFC imported, either alone or in blends, 	<ul style="list-style-type: none"> • Obtain the data reported to the EPA in the HFC Producer Quarterly Reports from the regulated entity • Compare records to the data that are required to be maintained consistent with 40 CFR 84.31(b)(3) and the data reported to the EPA in the HFC Producer Quarterly Reports <ul style="list-style-type: none"> ○ Confirm that production volumes include HFCs that were emitted during production ○ For HFCs produced for destruction, confirm whether the HFCs were destroyed consistent with the destruction requirements at 40 CFR 84.5(a)(3) ○ Compare allowances expended in each quarter to the value listed in the balance statement • Report any variances <ul style="list-style-type: none"> • Compare records to the data that are required to be maintained consistent with 40 CFR 84.31(c)(2) 	<ul style="list-style-type: none"> • 84.33(b)(3) – Records documenting the amount of regulated HFCs imported, exported, produced, and destroyed, transformed, or sent to another entity for such purpose • 84.5(a)(3) – No allowances need to be expended if material is to be destroyed. • 84.31(c)(2) – Importer records must be maintained, for example: quantity importer for transformation and destruction and date of importation. • 84.25(a)(3)(ii) – Shipments brought in through non-objection notices must be

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	<p>including the percentage of each blend that consists of a regulated HFC</p> <ul style="list-style-type: none"> ○ Dated records identifying the quantity of used regulated HFCs imported for destruction ○ Dated records identifying the quantity of regulated HFCs imported for use in processes resulting in their transformation or destruction ○ Dated records identifying the quantity of regulated HFCs imported and sold for use in processes that result in their transformation or destruction ○ Dated records documenting the sale or transfer of regulated HFCs for use in processes resulting in their transformation or destruction ○ Copies of transformation verifications or destruction verifications indicating that the regulated HFCs will be transformed or destroyed ○ For imports of used material for destruction: <ul style="list-style-type: none"> ▪ Invoices from the destruction facility verifying the shipment was received ▪ Records from the destruction facility indicating that the substance has been destroyed ○ Copies of non-objection notices for import of HFCs for destruction or transformation ○ Dated records identifying the quantity of each regulated HFC transhipped ○ Copies of any additional in-house records and/or databases containing import data 	<p>and the data reported to the EPA in the HFC Importer Quarterly Reports</p> <ul style="list-style-type: none"> ○ Confirm that imports of heels were reported ○ For HFCs imported for destruction, confirm compliance with 40 CFR 84.25(a)(3)(ii) ○ For HFCs imported for destruction or transformation, compare the date of the non-objection notice issued by the EPA to the date the HFCs were imported into the United States ○ Compare allowances expended in each quarter to the value listed in the balance statement <ul style="list-style-type: none"> • Report any variances 	<p>destroyed within 120 days of import or transformed with one year</p> <ul style="list-style-type: none"> • 84.31(d)(2) – Exporters must keep dated records of batch testing results, among other records
	<ul style="list-style-type: none"> • For exporters: <ul style="list-style-type: none"> ○ Dated records identifying the quantity of each regulated HFC exported, either alone or in blends, including the percentage of each blend that consists of a regulated HFC ○ Dated records identifying the quantity of used regulated HFCs exported for destruction ○ Dated records identifying the quantity of regulated HFCs exported for use in processes resulting in their transformation or destruction 	<ul style="list-style-type: none"> • Compare records to the data that are required to be maintained consistent with 40 CFR 84.31(d)(2) and the data reported to the EPA in the HFC Exporter Quarterly Reports <ul style="list-style-type: none"> ○ Confirm that exports of heels were reported • Report any variances 	

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	<ul style="list-style-type: none"> ○ Dated records identifying the quantity of regulated HFCs exported and sold for use in processes that result in their transformation or destruction ○ Copies of any additional in-house records and/or databases containing export data 		
5	<ul style="list-style-type: none"> • For all application-specific allowance conferrals pertaining to the compliance period, internal records, contracts, and/or communications that document the conferral of allowances between companies • For each conferral to another company: <ul style="list-style-type: none"> ○ Copy of the HFC Conferral of Allowances Report submitted to the EPA by the regulated entity ○ Copy of the certification from the conferrer and conferee stating that the regulated HFCs acquired using the conferred application-specific allowances will only be used for that specific application ○ Copy of the associated confirmation notice generated by the EPA and provided to the regulated entity ○ Copy of the balance statement generated by the EPA and provided to the regulated entity • For each conferral from another company: <ul style="list-style-type: none"> ○ Copy of the certification from the conferrer and conferee stating that the regulated HFCs acquired using the conferred application-specific allowances will only be used for that specific application ○ Copy of the associated confirmation notice generated by the EPA and provided to the regulated entity ○ Copy of the balance statement generated by the EPA and provided to the regulated entity 	<ul style="list-style-type: none"> • For each allowance conferral, obtain a listing from the regulated entity that includes the following information: <ul style="list-style-type: none"> ○ The quantity of allowances conferred ○ The application for which allowances were conferred ○ The conferrer and conferee ○ The date of conferral • For each conferral, compare the following from the internal records, contracts, and/or communications to the HFC Conferral of Allowances Report, confirmation notice, and balance statement: <ul style="list-style-type: none"> ○ The quantity of allowances conferred ○ The application for which allowances were conferred ○ The conferrer and conferee ○ The date of conferral • Report any variances • For each conferral, compare the quantity of allowances conferred to the regulated entity, as determined utilizing the internal records, contracts, and/or communications, to the quantity added to the conferee's (regulated entity's) allowance balance, as listed on the confirmation notice and balance statement • For each conferral, compare records to the data that are required to be maintained consistent with 40 CFR 84.31(h)(6) • Report any variances • For each purchase (e.g., from a foreign supplier and associated with an import of HFCs), obtain 	<ul style="list-style-type: none"> • 84.33(b)(4) – Records documenting any application-specific allowances allocated or conferred from other companies, including the amounts of allowances conferred, regulated HFCs purchased and/or sold, the specific application for which the regulated HFCs were provided, and the names, telephone numbers, and email addresses for contact persons for the recipient companies • 84.31(h)(6) – Application Specific allowance holders must maintain records to develop reports as well as certifications, confirmation notices, their annual submissions, etc.

Item	Records to be Provided by Regulated Entity	Procedures Performed by CPA	Regulatory Citation
	<ul style="list-style-type: none"> • For producers and importers that produced or imported regulated HFCs by expending application-specific allowances during the compliance period: <ul style="list-style-type: none"> ○ Dated records of the quantity of regulated substances produced or imported by expending conferred application-specific allowances ○ Dated records of the quantity sold for use in each listed application ○ A list of the names, telephone numbers, and email addresses for contact persons for the recipient companies 	<p>the following information from the regulated entity:</p> <ul style="list-style-type: none"> ○ The quantity and type of HFCs purchased ○ The application for which the HFCs were purchased ○ The date of purchase ○ The name of the company from which HFCs were purchased <ul style="list-style-type: none"> • Compare this information to: <ul style="list-style-type: none"> ○ The data reported in Section 2 of HFC Importer Quarterly Reports ○ HFC Conferral of Allowances Reports ○ The data that are required to be maintained consistent with 40 CFR 84.31(h)(6) • Report any variances <hr/> <ul style="list-style-type: none"> • For each sale, obtain the following information from management: <ul style="list-style-type: none"> ○ The quantity and type of HFCs sold ○ The application for which the HFCs were sold ○ The date of sale ○ The name of the recipient company ○ The conferral data reported to the EPA and internal records, contracts, and/or communications that document the conferrals ○ The data reported in the HFC Producer Quarterly Reports and HFC Importer Quarterly Reports • Compare this information to: <ul style="list-style-type: none"> ○ The data reported in Section 4 of the HFC Producer Quarterly Reports and HFC Importer Quarterly Reports ○ Conferral confirmation notices • Report any variances 	
6	<ul style="list-style-type: none"> • For all imports: <ul style="list-style-type: none"> ○ Bills of lading for each import ○ Invoices documenting the purchase of the material from an entity outside the United States 	<ul style="list-style-type: none"> • For each import and export transaction, obtain the following information from the regulated entity: 	<ul style="list-style-type: none"> • 84.33(b)(5) – The date and the port from which regulated HFCs were imported or exported

Item	Records to be Provided by Regulated Entity	Procedures Performed by CPA	Regulatory Citation
	<ul style="list-style-type: none"> ○ Data downloaded from Customs and Border Protection’s (CBP) Automated Commercial Environment (ACE), including record identifier “WR5,” which contains “Conveyance Arrival” ○ U.S. Customs Entry Forms (7501 or 3461 forms) ○ Copies of any additional in-house records from the regulated entity’s data systems ● For all exports: <ul style="list-style-type: none"> ○ Bills of lading for each export ○ Invoices documenting the sale of the material to an entity outside the United States ○ Data downloaded from CBP’s Automated Export System (AES) or a copy of the Electronic Export Information (EEI) document generated from AES ○ Copies of any additional in-house records from the regulated entity’s data systems 	<ul style="list-style-type: none"> ○ The date of import (i.e., the “Conveyance Arrival” date as documented in records downloaded from CBP) or export ○ The port from which the regulated HFCs were imported or exported ○ The Harmonized Tariff Schedule (HTS) code under which the import or export was filed with Customs ● Compare this information to the data that are required to be maintained consistent with 40 CFR 84.31(c)(2) and 40 CFR 84.31(d)(2) and the data reported in the HFC Importer Quarterly Reports and HFC Exporter Quarterly Reports ● Report any variances 	<ul style="list-style-type: none"> ● 84.33(b)(6) – A copy of the bill of lading and the invoice indicating the quantity of regulated HFCs imported or exported ● 84.33(b)(7) – Relevant Harmonized Tariff Schedule codes ● 84.31(c)(2) – Importer records must be maintained, for example: quantity imported for transformation and destruction and date of importation ● 84.31(d)(2) – Exporters must keep dated records of batch testing results, among other records
7	<ul style="list-style-type: none"> ● Internal records documenting the number and type of railcars, ISO tanks, individual cylinders, drums, small cans, or other containers used by the regulated entity to store and transport regulated HFCs 	<ul style="list-style-type: none"> ● Obtain a listing of the total number and type of containers in the entity’s possession and used to store and transport regulated HFCs during the year based on the internal records (e.g., DOT 39-regulated single use cylinders purchased in the year) from the regulated entity. ● Obtain a listing of the total capacity to store and transport regulated HFCs throughout the year based on the internal records ● Compare this information to the total quantity of each regulated HFC produced, imported, and exported from the HFC Producer Quarterly Reports, HFC Importer Quarterly Reports, and HFC Exporter Quarterly Reports, respectively and describe in the report ● Report any variances (e.g., the volume of HFCs produced and imported is higher than the 	<ul style="list-style-type: none"> ● 84.33(b)(8) – The number and type of railcars, ISO tanks, individual cylinders, drums, small cans, or other containers used to store and transport regulated HFCs

Item	Records to be Provided by Regulated Entity	Procedures Performed by CPA	Regulatory Citation
		capacity of the containers used and stored in the year)	
8	<ul style="list-style-type: none"> • Documents used to conduct an inventory audit • Records of physical inventory audit • Accompanying records documenting end-of-year inventory of each regulated HFC held onsite by the regulated entity 	<ul style="list-style-type: none"> • Recalculate the end-of-year inventory for each regulated HFC based on the records • Compare the calculated quantities to the quantities reported in the fourth quarter HFC Producer Quarterly Report, HFC Importer Quarterly Report, and HFC Exporter Quarterly Report • Report any variances 	<ul style="list-style-type: none"> • 84.33(b)(9) –The inventory of regulated HFCs as of the end of the prior calendar year
9	<ul style="list-style-type: none"> • Dated batch testing results for regulated HFCs packaged for sale or distribution, including: <ul style="list-style-type: none"> ○ Instrument calibration ○ Sample testing data ○ Audit trail files 	<ul style="list-style-type: none"> • Obtain from the regulated entity the dated batch testing results for regulated HFCs packaged for sale or distribution • Select a random sample (5 percent or 10, whichever is higher) of the batch testing results • Compare the regulated entity’s test results to the data that are required to be maintained consistent with 40 CFR 84.31(b)(3), 40 CFR 84.31(c)(2), and 40 CFR 84.31(d)(2) and the data reported to the EPA in the HFC Producer Quarterly Reports, HFC Importer Quarterly Reports, and HFC Exporter Quarterly Reports, to confirm that the composition of the regulated substances match the data reported to the EPA • Identify if there were instances where testing results showed the HFCs or HFC blends did not meet the required specifications prescribed in 40 CFR 84.5(i)(3)(ii) 	<ul style="list-style-type: none"> • 84.33(b)(10) – A random sample (5 percent or 10, whichever is higher) of batch testing results • 84.31(b)(3) – Producers must keep records, for example the quantity of each regulated substance produced at each facility and when they were sold for transformation destruction or as a process agent. • 84.31(c)(2) –Importer records must be maintained, for example: quantity imported for transformation and destruction, and the date of importation. • 84.31(d)(2) – Exporters must keep dates records of batch testing results, among other records • 84.5(i)(3)(ii) – No person may sell a regulated substance as a

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			refrigerant that doesn't meet the specifications in Appendix A to 40 CFR Part 82, subpart F,- Specifications for Refrigerants
10	<ul style="list-style-type: none"> • Copies of any other reports submitted to the EPA during the compliance period, including the following: <ul style="list-style-type: none"> ○ HFC Importer of Record Report, and supporting documentation for subsidiaries, commonly owned or majority owned entities, doing-business-as (DBAs), and identity of owners and percentage of ownership as appropriate ○ HFC Request for Additional Consumption Allowances Report ○ HFC Transshipment Notification ○ Petition to Import Virgin HFCs for Transformation or Destruction ○ Petition to Import Used HFCs for Destruction 	<ul style="list-style-type: none"> • Obtain from the regulated entity a list of reports submitted to the EPA during the compliance period • For the HFC Importer of Record Report, compare the reported importer numbers to the shipment importer numbers listed in the HFC Importer Quarterly Reports • For the HFC Importer of Record Report, compare the reported subsidiaries, commonly owned or majority owned entities, DBAs, and identity of owners and percentage of ownership to the information submitted in the Importer of Record Report • For the Request for Additional Consumption Allowances Report, compare all export transactions to the HFC Exporter Quarterly Reports • For the Transshipment Notifications, compare transshipments to the HFC Importer Quarterly Reports and HFC Exporter Quarterly Reports • For Petitions, compare the actual date of import to the HFC Importer Quarterly Reports • Report any variances 	<ul style="list-style-type: none"> • 84.33(b)(12) – All other reports submitted to the EPA under this subpart

Application-Specific Allowance Holders

Item	Records to be Provided by Regulated entity	Procedures Performed by CPA	Regulatory Citation
Application-specific Allowance Holders			
1	<ul style="list-style-type: none"> Copies of all HFC Application-Specific Allowance Holder Biannual Reports submitted to the EPA for the compliance period 	<ul style="list-style-type: none"> Obtain the data reported in all sections of each HFC Application-Specific Allowance Holder Biannual Report 	<ul style="list-style-type: none"> 84.55(c)– For companies issued application-specific allowances by EPA, auditors must review the following:
2	<ul style="list-style-type: none"> The EPA public notice of entities receiving application-specific allowances that is issued by October 1 of the calendar year prior to the year in which the allowances may be used Copies of the balance statements generated by the EPA and provided to the regulated entity Internal records tracking allowance balance 	<ul style="list-style-type: none"> Obtain the EPA public notice of entities receiving application-specific allowances that was issued on [month/day/year]. Compare the quantity of allowances allocated by the EPA to internal records for the beginning of year allocation 	<ul style="list-style-type: none"> 84.33(c)(1) – Records documenting the amount of application-specific allowances allocated
3	<ul style="list-style-type: none"> For all allowance transfers pertaining to the compliance period, internal records, contracts, and/or communications that document the transfer of allowances between companies 	<ul style="list-style-type: none"> For each allowance transfer, obtain a listing of the following information from management: <ul style="list-style-type: none"> The quantity of allowances transferred The specific application for which allowances were transferred The transferor and transferee The date of transfer 	<ul style="list-style-type: none"> 84.33(c)(2) – The amount, timing, and parties to allowance transfers, and the associated documentation and offset amount
	<ul style="list-style-type: none"> For each allowance transfer to another company: <ul style="list-style-type: none"> Copy of the HFC Inter-Company Transfers Report submitted to the EPA by the regulated entity Copy of the signed document from the transferee certifying that the transferee will use the application-specific allowances only for the same application for which the application-specific allowance was allocated Copy of the associated non-objection notice generated by the EPA and provided to the regulated entity Copy of the balance statement generated by the EPA and provided to the regulated entity 	<ul style="list-style-type: none"> For each allowance transfer, compare the following from the internal records, contracts, and/or communications to the data that are required to be maintained consistent with 40 CFR 84.31(h)(6), the HFC Inter-Company Transfers Report, non-objection notice, and balance statement: <ul style="list-style-type: none"> The quantity of allowances transferred The specific application for which allowances were transferred The transferor and transferee The date of transfer For each allowance transfer, calculate the associated offset amount, in accordance with 40 CFR 84.19(a)(1), utilizing the internal records, contracts, and/or communications 	<ul style="list-style-type: none"> 84.31(h)(6) – Application Specific allowance holders must maintain records to develop reports as well as certifications, confirmation notices, their annual submissions, etc. 84.19(a)(1) – A person may transfer production, consumption or application specific allowances with a 5% offset for production and consumption allowances

Item	Records to be Provided by Regulated entity	Procedures Performed by CPA	Regulatory Citation
	<ul style="list-style-type: none"> • For each allowance transfer from another company: <ul style="list-style-type: none"> ○ Copy of the associated non-objection notice generated by the EPA and provided to the regulated entity ○ Copy of the balance statement generated by the EPA and provided to the regulated entity 	<ul style="list-style-type: none"> ○ Compare the calculated offset amount to the quantity listed in the HFC Inter-Company Transfers Report and corresponding non-objection notice • Report any variances • For each allowance transfer, compare the quantity of allowances transferred to the regulated entity, as determined utilizing the internal records, contracts, and/or communications, to the quantity added to the transferee's (regulated entity's) allowance balance, as listed on the non-objection notice and balance statement • For each allowance transfer, compare records to the data that are required to be maintained consistent with 40 CFR 84.31(h)(6) • Report any variances 	<p>and a 1% offset for application specific allowances</p>
4	<ul style="list-style-type: none"> • For all application-specific allowance conferrals pertaining to the compliance period, internal records, contracts, and/or communications that document the conferral of allowances between companies • For each conferral to another company: <ul style="list-style-type: none"> ○ Copy of the HFC Conferral of Allowances Report submitted to EPA by the regulated entity ○ Copy of the certification from the conferrer and conferee stating that the regulated HFCs acquired using the conferred application-specific allowances will only be used for that specific application ○ Copy of the associated confirmation notice generated by the EPA and provided to the regulated entity ○ Copy of the balance statement generated by the EPA and provided to the regulated entity 	<ul style="list-style-type: none"> • For each allowance conferral, obtain a listing from the regulated entity that includes the following information: <ul style="list-style-type: none"> ○ The quantity of allowances conferred ○ The application for which allowances were conferred ○ The conferrer and conferee ○ The date of conferral • For each conferral, compare the following from the internal records, contracts, and/or communications to the HFC Conferral of Allowances Report, confirmation notice, and balance statement: <ul style="list-style-type: none"> ○ The quantity of allowances conferred ○ The application for which allowances were conferred ○ The conferrer and conferee ○ The date of conferral • For each conferral, compare the following from the internal records, contracts, and/or communications documenting the conferral to the data that are required to be maintained 	<ul style="list-style-type: none"> • 84.33(c)(3) – Records documenting any application-specific allowances conferred to or from other companies, including the amounts of allowances conferred, regulated HFCs purchased, the specific application for which the regulated HFCs were provided, and the names, telephone numbers, and email addresses for contact persons for the recipient companies • 84.31(h)(6) – Application Specific allowance holders must maintain records as well as certification, confirmation

Item	Records to be Provided by Regulated entity	Procedures Performed by CPA	Regulatory Citation
	<ul style="list-style-type: none"> • For each conferral from another company: <ul style="list-style-type: none"> ○ Copy of the certification from the conferrer and conferee stating that the regulated HFCs acquired using the conferred application-specific allowances will only be used for that specific application ○ Copy of the associated confirmation notice generated by the EPA and provided to the regulated entity ○ Copy of the balance statement generated by the EPA and provided to the regulated entity • For all HFCs purchased for application-specific uses by conferring allowances during the compliance period: <ul style="list-style-type: none"> ○ Invoices and order records related to the purchase of regulated substances ○ A list of the names, telephone numbers, and email addresses for contact persons for the recipient companies 	<p>consistent with 40 CFR 84.31(h)(6) and the data provided in the HFC Application-Specific Allowance Holders Biannual Reports:</p> <ul style="list-style-type: none"> ○ The quantity of allowances conferred ○ The application for which allowances were conferred ○ The conferee • Report any variances <ul style="list-style-type: none"> • For each conferral, compare the quantity of allowances conferred to the regulated entity, as determined utilizing the internal records, contracts, and/or communications, to the quantity added to the conferee's (regulated entity's) allowance balance, as listed on the confirmation notice and balance statement • For each conferral, compare records to the data that are required to be maintained consistent with 40 CFR 84.31(h)(6) • Report any variances <ul style="list-style-type: none"> • For each purchase, confirm: <ul style="list-style-type: none"> ○ The quantity and type of HFCs purchased ○ The application for which the HFCs were purchased ○ The name of the company from which HFCs were purchased ○ The date of purchase • Compare this information to: <ul style="list-style-type: none"> ○ The data reported in Section 3 of the HFC Application-Specific Allowance Holder Biannual Reports ○ HFC Conferral of Allowances Reports ○ The data that are required to be maintained consistent with 40 CFR 84.31(h)(6) • Report any variances 	<p>notices, their annual submission, etc.</p>
5	<ul style="list-style-type: none"> • For each purchase of HFCs for application-specific uses without expending application-specific allowances during the compliance period: 	<ul style="list-style-type: none"> • For each purchase, confirm: <ul style="list-style-type: none"> ○ The quantity and type of HFCs purchased ○ The application for which the HFCs were purchased 	<ul style="list-style-type: none"> • 84.33(c)(4) - Records documenting the total amount of regulated HFCs purchased for the

Item	Records to be Provided by Regulated entity	Procedures Performed by CPA	Regulatory Citation
	<ul style="list-style-type: none"> ○ Invoices and order records related to the purchase of regulated substances ○ If purchased through a sale or conveyance (i.e., material that was acquired by expending application-specific allowances), copy of the letter submitted to EPA by the regulated entity stating that it concurs with the terms of the sale or conveyance as requested by the application-specific seller ○ Copies of additional in-house records from the regulated entity's data systems 	<ul style="list-style-type: none"> ○ The date of purchase ○ The name of the company from which HFCs were purchased ● Compare this information to: <ul style="list-style-type: none"> ○ The data reported in Section 2 of the HFC Application-Specific Allowance Holder Biannual Reports ○ The data that are required to be maintained consistent with 40 CFR 84.31(h)(6) ● Report any variances 	<p>application-specific end use, and the amount of regulated HFCs sold to another company for application-specific used</p> <ul style="list-style-type: none"> ● 84.31(h)(6) Application Specific allowance holders must maintain records as well as certification, confirmation notices, their annual submission, etc.
	<ul style="list-style-type: none"> ● For each historic purchase of HFCs for application-specific uses by a first-time application-specific allowance holder or entity that did not receive allowances in the year prior to the compliance period: <ul style="list-style-type: none"> ○ Invoices and order records related to the purchase of regulated substances over the three-year period preceding the regulated entity's request for application-specific allowances ○ Copies of additional in-house records from the regulated entity's data systems 	<ul style="list-style-type: none"> ● For each purchase, record: <ul style="list-style-type: none"> ○ The quantity and type of HFCs purchased ○ The application for which the HFCs were purchased ○ The date of purchase ○ The name of the company from which HFCs were purchased ● Compare this information to: <ul style="list-style-type: none"> ○ The data reported in Section 7 of the HFC Application-Specific Allowance Holder Biannual Report for the January 1 – June 30 reporting period ○ The data that are required to be maintained consistent with 40 CFR 84.31(h)(6) ● Report any variances 	
	<ul style="list-style-type: none"> ● For each sale or conveyance of HFCs for application-specific uses during the compliance period: <ul style="list-style-type: none"> ○ Invoices and order records related to the sale of regulated substances ○ Copy of the HFC Sale or Conveyance Report submitted to the EPA by the regulated entity ○ Copy of the associated non-objection notice generated by the EPA and provided to the regulated entity 	<ul style="list-style-type: none"> ● Obtain a listing from the regulated entity that includes the following information: <ul style="list-style-type: none"> ○ The quantity and type of HFCs originally purchased ○ The application for which the HFCs were originally purchased ○ The date of original purchase ○ The quantity and type of HFCs sold ○ The application for which the HFCs were sold ○ The date of sale ○ The name of the recipient company 	

Item	Records to be Provided by Regulated entity	Procedures Performed by CPA	Regulatory Citation
	<ul style="list-style-type: none"> ○ Internal records documenting the expenditure of application-specific allowances to originally acquire the material 	<ul style="list-style-type: none"> ○ Internal records, contracts, and/or communications that document the conferrals ● Compare this information to the HFC Sale or Conveyance Reports ● Report any variances 	
6	<ul style="list-style-type: none"> ● Documents used to conduct an inventory audit ● Records of physical inventory audit ● Accompanying records documenting end-of-year inventory of each regulated HFC held onsite by the regulated entity or held under contract by another company for the regulated entity's use 	<ul style="list-style-type: none"> ● Confirm the June 30 and December 31 inventory for each regulated HFC based on the records ● Compare the calculated quantities to the quantities reported in the HFC Application-Specific Allowance Holder Biannual Reports ● Report any variances 	<ul style="list-style-type: none"> ● 84.33(c)(5) - Inventory of regulated HFCs at the end of the calendar year
7	<ul style="list-style-type: none"> ● Copies of any other reports submitted to the EPA for the compliance period 	<ul style="list-style-type: none"> ● Inquire as to whether the regulated entity submitted additional reports to the EPA under this subpart <ul style="list-style-type: none"> ○ If yes, obtain additional reports 	<ul style="list-style-type: none"> ● 84.33(c)(6) - All other reports submitted to EPA under this subpart

Reclaimers and Fire Suppressant Recyclers

Step	Records to be Provided by Regulated entity	Guidance for Reviewing Obtained Records	Regulatory Citation
Reclaimers and Fire Suppressant Recyclers			
1	<ul style="list-style-type: none"> Copies of all HFC Reclamation Quarterly Reports and HFC Fire Suppressant Recycling Quarterly Reports submitted to the EPA for the compliance period 	<ul style="list-style-type: none"> Obtain each HFC Reclamation Quarterly Report and each HFC Fire Suppressant Recycling Quarterly Report 	<ul style="list-style-type: none"> 84.33(d) – For reclaimers and fire suppressant recyclers, auditors must review the following
2	<ul style="list-style-type: none"> Dated records documenting the quantity of HFCs received for reclamation or recycling during the compliance period 	<ul style="list-style-type: none"> Obtain a listing of HFCs received for reclamation or recycling during the compliance year, including: <ul style="list-style-type: none"> Names and addresses of persons sending the regulated entity HFCs for reclamation or recycling The type of HFC sent to the regulated entity for reclamation or recycling The quantity of each HFC (the combined mass of regulated HFC and contaminants) sent to the regulated entity for reclamation or recycling Select a random sample (5 percent or 10 individual transactions, whichever is higher) of the total HFCs received for reclamation or recycling during the compliance Compare this information to the data that are required to be maintained consistent with 40 CFR 84.31(i)(4) and 40 CFR 84.31(j)(3) and the data provided in the HFC Reclamation Quarterly Reports and HFC Fire Suppressant Recycling Quarterly Reports Report any variances 	<ul style="list-style-type: none"> 84.33(d)(1) – The quantity of regulated HFCs received for reclamation or recycling 84.33(d)(2) – A random sample (5 percent or 10, whichever is higher) of records documenting the names and addresses of persons sending them material and the quantity of the material, measured in the combined mass of refrigerant and contaminants, by regulated HFC to them
3	<ul style="list-style-type: none"> Dated records documenting the quantity of HFCs reclaimed or recycled during the compliance period 	<ul style="list-style-type: none"> Obtain a listing of the quantity and type of HFCs reclaimed or recycled Compare this information to the data that are required to be maintained consistent with 40 CFR 84.31(i)(4) and 40 CFR 84.31(j)(3) and the data provided in the HFC Reclamation Quarterly Reports and HFC Fire Suppressant Recycling Quarterly Reports Report any variances 	<ul style="list-style-type: none"> 84.33(d)(3) – Records documenting the quantity of regulated HFCs reclaimed 84.31(i)(4) – Reclaimers must maintain by batch results of analysis testing records and names and addresses of persons sending them material as well as addresses 84.31(j)(3) – Fire suppression recyclers

Step	Records to be Provided by Regulated entity	Guidance for Reviewing Obtained Records	Regulatory Citation
			must keep records of the quantity of material by regulated substance sent to them for recycling and maintain batch testing of regulated substances.
4	<ul style="list-style-type: none"> • Copies of any other reports submitted to the EPA during the compliance period 	<ul style="list-style-type: none"> • Inquire as to whether the regulated entity submitted additional reports to the EPA under this subpart <ul style="list-style-type: none"> ○ If yes, obtain additional reports 	<ul style="list-style-type: none"> • 84.33(d)(5) – All other reports submitted to EPA under this subpart