

DAIKIN



February 22, 2006

The Honorable Stephen L. Johnson
Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, N.W. (1101A)
Washington, DC 20460

DAIKIN AMERICA, INC.

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Re: EPA's 2010/2015 PFOA Stewardship Program

Dear Mr. Johnson:

In response to your letter of January 25, 2006, Daikin America Inc. (DAI) will participate in the Environmental Protection Agency's (EPA) 2010/2015 PFOA Stewardship Program. We look forward to working with EPA to understand the specifics of this program and develop an appropriate strategy for our company to pursue the goals you have set forth.

As EPA knows, DAI has been working for several years to reduce PFOA releases from its U.S. facilities and to limit the amount of PFOA and PFOA precursors in the products we sell. We have provided detailed progress reports on these efforts to your staff. In fact, we are already close to meeting the 2010 goals of the Stewardship Program. We believe that the progress DAI has already made provides a strong platform for further progress.

In expressing our willingness to be a partner with EPA in this matter, we know you understand that further work is needed to clarify several aspects of the program. For example, companies will need to decide how to define baselines where historical data is not readily available. Companies will need to decide whether to define their performance on product content in terms of specific products or certain product categories. As your letter indicates, there will also be a need for consultation about appropriate analytical standards and laboratory methods. Perhaps the most significant issue needing further clarification will be what "working toward the elimination of PFOA" means.

We also note that EPA calls this effort a "global stewardship program." We have consulted with the Japanese government about this program, and it is clear that EPA will need to engage in appropriate coordination with other governments to avoid misunderstandings about the program's intended reach.

Recognizing that many issues in the Stewardship Program will need further consideration and any program with a 10-year life span will change as new information becomes available, DAI is nonetheless willing to participate and assist EPA in developing the Program. We look forward to working with the Agency and thank you for this opportunity.

Sincerely,

SATOSHI DOI

President