



**CITY OF NEWPORT BEACH**

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January 7, 2025

**Mayor**

Joe Stapleton

**Mayor Pro Tem**

Lauren Kleiman

**Council Members**

Michelle Barto

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Robyn Grant

Sara J. Weber

Erik Kenneth Weigand

Hon. Vanessa Delgado, Chair  
South Coast Air Quality Management District Governing Board  
21865 Copley Dr.  
Diamond Bar, CA 91765

Dear Chair Delgado and Governing Board Members:

The City of Newport Beach respectfully opposes the South Coast Air Quality Management District's (SCAQMD) Proposed Amended Rule (PAR) 1111 and PAR 1121. On behalf of the City, I urge you to defer consideration of these rules to allow the SCAQMD Governing Board and staff members sufficient time to receive additional information and engage in discussions with the numerous stakeholders that would be impacted by this proposal.

Newport Beach has significant concerns regarding the impact these proposed rules would have on Orange County residents, businesses and the state's power grid. If approved, Rules 1111 and 1121 would require apartment owners, homeowners and businesses to transition to all-electric furnaces and water heaters. Many would also bear the costs of having to retrofit their homes and businesses to accommodate the new equipment with expensive electrical and plumbing upgrades and potentially other physical renovations to accommodate the new units. Further, the City shares the Orange County Council of Governments' concern that the substantial costs of compliance could compel owners of older, multifamily properties to sell or redevelop their buildings, potentially leading to a decrease in affordable housing available throughout the region. Adding costs or barriers contradicts efforts to address the state's housing crisis.

Equally concerning is that transitioning to all-electric water heaters and furnaces would increase demand on California's already inconsistent power grid. Water heaters and furnaces are essential components of homes, apartments and businesses. Adding millions of new electric water heaters and furnaces would require a substantial amount of power and increase the potential for brownouts or outages. The City strongly opposes efforts to add more load demands until the necessary electrical energy generation and transmission capacity is constructed and in service.

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For these reasons, Newport Beach opposes Proposed Amended Rule (PAR) 1111 and PAR 1121 and urges the SCAQMD Governing Board to delay consideration of these rules and engage in a more robust information gathering and public outreach process to ensure residents are properly informed and that questions regarding cost, technology and the availability of potential incentives can be addressed.

If you have any questions about the City of Newport Beach's position on this matter, please call 949-644-3004.

Sincerely,



Joe Stapleton  
Mayor  
City of Newport Beach

Cc: Newport Beach City Council