Faye Thomas

From:	Tony Sirna <tony@evergreenaction.com></tony@evergreenaction.com>
Sent:	Thursday, February 20, 2025 3:32 PM
То:	Vanessa Delgado; lmccallon@aqmd.gov; COB
Subject:	[EXTERNAL] RE: Stationary Source Committee Agenda Item No. 2 – Strong Support for
	Appliance Rule Amendments to Rules 1111 and 1121
Attachments:	Evergreen - South Coast Rules 1111 and 1121 Letter.pdf

Dear Chair Delgado, Committee Chair McCallon, and Members of the Board:

Evergreen Action is working to build a just and thriving clean energy economy by raising standards, catalyzing investment, and centering justice at the heart of economic transformation. We collaborate with climate and community leaders and advocate for policymakers to adopt the urgent climate and economic policies that science demands. We work every day with policy makers and advocates across the country working to reduce pollution and provide abundant and affordable homes and energy for all.

Evergreen Action strongly supports South Coast AQMD Rules 1111 and 1121. Clean air is incredibly important to the health and well-being of all the people and communities in the South Coast district. These rules will provide significant reductions in harmful pollutants, more than any rules passed in 30 years, and are consistent with the district's Air Quality Management Plan (AQMP).

We are very concerned about any attempts to water down this rule or delay compliance deadlines. Our air quality and our health can't wait any longer.

It is crucial that these rules remain strong as they are sent to the Governing Board. We must equitably transition households and businesses away from appliances that we know are harming our health. These rules are essential in reducing our Nitrogen Oxide (NOx) emissions and the NOx, ozone and PM 2.5 in the air we breathe.

In reviewing the <u>latest updates</u> to Rule 1111 and 1121, we are concerned that this new approach will not achieve the needed emissions reductions in a timely manner. The current mitigation fee is unlikely to be high enough to motivate the emissions reduction that are needed. We encourage the Air District to:

- Increase the percentage of zero-emission units required in each compliance period.
- Increase the mitigation fee to further incentivize compliance. This could be done through a number of
 options, including:
 - increase the initial mitigation fee;
 - increase the fee steadily over time;
 - have a higher fee the further out of compliance a manufacturer is; and/or
 - include a self-ratcheting system where manufacturers out of compliance in a given year will see mitigation fees increase substantially in subsequent years based on how far out of compliance they are.

A higher fee will both create more economic pressure on manufacturers to achieve compliance with the policy and will generate more revenue for the Go Zero program.

In addition, we are concerned about using a percent-of-units-sold requirement for space heating equipment. Space heating equipment varies greatly in capacity, and given the nature of some heat pump systems, more than one unit may be installed in a single building to replace a single combustion-based furnace. As such, we encourage the Air District to consider a "percentage of total heating capacity sold" metric to more accurately reflect the percentage of emissions that are being mitigated. While we support the need to address consumer choice, we are also concerned that a policy that allows for long term continued sales of NOx emitting equipment will leave low income households and disadvantaged communities behind in the transition. This could expose people in those communities to higher levels of pollution, and expose them to higher prices for gas service as more and more customers leave the gas system entirely. We are interested in hearing how the Air District might address this concern.

We appreciate the air district staff's significant work on amendments Rules 1111 and 1121. We encourage you to finalize this rulemaking process quickly with a strong policy that will quickly reduce pollution and help usher in a healthier future for all.

Sincerely, Tony Sirna Senior Policy Lead Buildings Evergreen Action

Tony Sirna | Senior Policy Lead - Buildings tony@evergreenaction.com Pronouns: he/him





Chair Delgado, Committee Chair McCallon, and Members of the Governing Board South Coast Air Quality Management District (South Coast AQMD) 21865 Copley Drive Diamond Bar, CA 91765 Email: vdelgado@aqmd.gov Imccallon@aqmd.gov Clerk of the Board, cob@aqmd.gov

RE: Stationary Source Committee Agenda Item No. 2 – Strong Support for Appliance Rule Amendments to Rules 1111 and 1121

Dear Chair Delgado, Committee Chair McCallon, and Members of the Board:

Evergreen Action is working to build a just and thriving clean energy economy by raising standards, catalyzing investment, and centering justice at the heart of economic transformation. We collaborate with climate and community leaders and advocate for policymakers to adopt the urgent climate and economic policies that science demands. We work every day with policy makers and advocates across the country working to reduce pollution and provide abundant and affordable homes and energy for all.

Evergreen Action strongly supports South Coast AQMD Rules 1111 and 1121. Clean air is incredibly important to the health and well-being of all the people and communities in the South Coast district. These rules will provide significant reductions in harmful pollutants, more than any rules passed in 30 years, and are consistent with the district's Air Quality Management Plan (AQMP).

We are very concerned about any attempts to water down this rule or delay compliance deadlines. Our air quality and our health can't wait any longer.

It is crucial that these rules remain strong as they are sent to the Governing Board. We must equitably transition households and businesses away from appliances that we know are harming our health. These rules are essential in reducing our Nitrogen Oxide (NOx) emissions and the NOx, ozone and PM 2.5 in the air we breathe.

In reviewing the <u>latest updates</u> to Rule 1111 and 1121, we are concerned that this new approach will not achieve the needed emissions reductions in a timely manner. The current mitigation fee is unlikely to be high enough to motivate the emissions reduction that are needed. We encourage the Air District to:

- Increase the percentage of zero-emission units required in each compliance period.
- Increase the mitigation fee to further incentivize compliance. This could be done through a number of options, including:
 - increase the initial mitigation fee;

- increase the fee steadily over time;
- have a higher fee the further out of compliance a manufacturer is; and/or
- include a self-ratcheting system where manufacturers out of compliance in a given year will see mitigation fees increase substantially in subsequent years based on how far out of compliance they are.

A higher fee will both create more economic pressure on manufacturers to achieve compliance with the policy and will generate more revenue for the Go Zero program.

In addition, we are concerned about using a percent-of-units-sold requirement for space heating equipment. Space heating equipment varies greatly in capacity, and given the nature of some heat pump systems, more than one unit may be installed in a single building to replace a single combustion-based furnace. As such, we encourage the Air District to consider a "percentage of total heating capacity sold" metric to more accurately reflect the percentage of emissions that are being mitigated.

While we support the need to address consumer choice, we are also concerned that a policy that allows for long term continued sales of NOx emitting equipment will leave low income households and disadvantaged communities behind in the transition. This could expose people in those communities to higher levels of pollution, and expose them to higher prices for gas service as more and more customers leave the gas system entirely. We are interested in hearing how the Air District might address this concern.

We appreciate the air district staff's significant work on amendments Rules 1111 and 1121. We encourage you to finalize this rulemaking process quickly with a strong policy that will quickly reduce pollution and help usher in a healthier future for all.

Sincerely,

Tony Sirna Senior Policy Lead Buildings Evergreen Action