

Comment Letter #64



July 5, 2022

Wayne Nastri
Executive Officer
South Coast Air Quality Management District

Via email AQMPteam@aqmd.gov

Re: South Coast AQMD – Draft Air Quality Management Plan

Dear Mr. Nastri:

We are contacting you on behalf of BizFed, the Los Angeles County Business Federation. We are an alliance of over 220 business organizations who represent over 450,000 employers in Los Angeles County. We are writing to comment on the South Coast Air Quality Management District (SCAQMD) Draft 2022 Air Quality Management Plan (AQMP).

First, we would like to thank the district for its tireless work improving air quality in the South Coast Air Basin. Like you, we desire to see continued emissions reduction while maintaining the region's economic vitality. This is not an easy feat. We appreciate the staff and board's diligence in bringing diverse groups to the table to map out the most effective AQMP as possible.

Second, we appreciate the district responding to our request and extending the comment period deadline to July 5 for the AQMP initial draft chapters and July 22 for the Appendices. We offer this letter as a high-level overview of the AQMP and will submit a more technical letter addressing the appendices at the later date.

As you are aware, BizFed represents businesses large and small from a wide range of industries throughout the South Coast Air Basin. Many will be writing their own individual comment letters that specifically address the impacts to their industries. Our letter addresses the impacts of the business community as a whole and presents a high-level regional observation of the Draft AQMP. We have done our best to highlight the overarching concerns of our diverse membership, and we hope you take them into consideration.

Limited Stakeholder Participation

While we are grateful for the extension of the initial comment period deadline, we are still concerned that the AQMP is being rushed with limited stakeholder engagement. The workshops conducted by staff over the past year presented a broad overview of what to expect in the AQMP but gave little direction or details until the actual draft was released. What's more, staff released the document the same time the California Air Resources Board (CARB) released their Draft 2022 Scoping Plan Update, and LA County released their Draft 2045 Climate Action Plan. Conducting a thorough review of all these documents and supporting materials take a significant amount of time, stakeholder outreach, feedback, and collaboration to provide the most effective comments.

Many of our members do not have the resources to effectively comment on each draft and have had to "pick-and-choose" where to focus their response or they have

had to submit premature comments that could have been more thorough had they had the extra time. We recognize the SCAQMD is limited in resources and have their own deadlines, however, something as significant as the AQMP need not be rushed or in competition with other jurisdictions, and enough time should be taken to get it right.

Draft Stationary and Area Sources Control Measures

We have great concern with the staff placing “everything on the table” for stationary source control measures. As mentioned in the draft, the AQMD has already passed or in development of significant regulations, such as RECLAIM reform, Warehouse, Port and Railyard Indirect Sources Rules and others. What’s more, most of the emission impacts come from mobile sources in CARB’s jurisdiction. Considering a residential and commercial natural gas phase out of water heaters and cooking equipment will likely not get the South Coast Air Basin into attainment but will instead increase the costs of housing, living, and conducting business throughout the region. Local jurisdictions are already considering similar regulations and alter language as determined to make the most sense for their municipality. Considering the geographic size and diversity (economic, population and other) of the South Coast Air Basin, the district needs to be careful in imposing “one size fits all” restrictions that would likely have significant, detrimental impacts in some communities when compared to others.

Out of Date Data

Much of the data used in the draft AQMP are based on MATES V, with data collected in 2018, four years ago. This data is out of date and with rapid advancements in technology, effects of the two-year pandemic, new rules from the AQMD, CARB and SCAG, it would make sense for the district to not consider additional sweeping control measures until MATES VI has been completed with more up-to-date data to determine where the next round of emission reductions should be targeted.

All-the-Above-Approach and Zero-Emissions Infrastructure

BizFed supports an all-the-above approach to our energy needs. We believe that a diversified energy portfolio is necessary to meet our clean air and GHG goals while also balancing equity and most importantly - energy reliability. We therefore support hydrogen, clean and renewable natural gas, electrification, solar, wind, the ongoing, albeit more clean and efficient use of petroleum, and other means to ensure we are lowering greenhouse gas emissions (GHG) while keeping costs low, supporting jobs, and meeting our economic demands.

The impacts to the grid from a one-size-fits all strategy would be devastating and both businesses and consumers would be impacted. Adopting policies without a thorough assessment of existing infrastructure, technology and energy alternatives is a risky proposition.

As the AQMD continues to push forward on its goal of achieving emission reductions, it is important that the AQMD adequately account for the development of the infrastructure necessary to support desired zero-emissions technologies. At present, the infrastructure for both leading options (electricity and hydrogen) is

insufficient and the implementation of any Control Measures that rely on zero-emissions technologies must analyze the feasibility of both the technology and the infrastructure. Any feasibility determination of a Control Measure, including the implementation date of the control strategy as well as the cost to comply, must also incorporate an infrastructure analysis. It is insufficient to simply analyze the demand of the AQMD's measures, as the ability of utilities to build infrastructure and supply adequate electricity and hydrogen is also impacted by the demand the zero-emission measures that CARB and other agencies are adopting during the same time frame, as well as the necessary agency approvals it will take to permit the infrastructure.

Finally, the AQMP's socioeconomic analysis as a whole must account for the infrastructure costs. We look forward to working with you to ensure the AQMP includes a robust and accurate zero-emissions determination.

Conclusion

The district has made significant strides in air reductions during the past 30 years, despite a significant population increase, and it should be proud of its accomplishments. These reductions were done in collaboration with many stakeholders, in particular the business community. We respect that AQMD is placed in a uniquely challenging situation to reach attainment. The business community stands ready to help the district achieve reductions as possible. As a reminder, sustainability isn't just about the environment. It's also about the sustainability of communities, the region's economy, and good-paying jobs. All needs to be taken into consideration and balanced to effectively address the region's challenges.

We look forward to continuing our work with the district to see more reasonable reductions made in a way that is equitable, lasting and duplicatable.

Thank you for your consideration of our letter. If you have any questions, please contact BizFed's Director of Policy and Advocacy Sarah Wiltfong at sarah.wiltfong@bizfed.org.

Sincerely,



Brissa Sotelo-Vargas
BizFed Chair
Valero



David Fleming
BizFed Founding Chair



Tracy Hernandez
BizFed Founding CEO
IMPOWER, Inc.

BizFed Association Members

7-11 Franchise Owners Association for SoCal
 Action Apartment Association
 Alhambra Chamber
 American Beverage Association
 Apartment Association of Greater Los Angeles
 Apartment Association, CA Southern Cities, Inc.
 Arcadia Association of Realtors
 AREAA North Los Angeles SFV SCV
 Armenian Trade & Labor Association
 Associated Builders & Contractors SoCal (ABC SoCal)
 Association of Club Executives
 Association of Independent Commercial Producers
 Azusa Chamber
 Beverly Hills Bar Association
 Beverly Hills Chamber
 BioCom
 Black Business Association
 BNI4SUCESS
 Bowling Centers of SoCal
 Boyle Heights Chamber of Commerce
 Building Industry Association - LA/Ventura Counties
 Building Industry Association of Southern California
 Building Industry Association- Baldyview
 Building Owners & Managers Association of Greater Los Angeles
 Burbank Association of Realtors
 Burbank Chamber of Commerce
 Business and Industry Council for Emergency Planning and Preparedness
 Business Resource Group
 CABIA California Business and Industrial Alliance
 Calabasas Chamber of Commerce
 CalAsian Chamber
 CalChamber
 California Apartment Association- Los Angeles
 California Asphalt Pavement Association
 California Bankers Association
 California Business Properties
 California Business Roundtable
 California Cannabis Industry Association
 California Cleaners Association
 California Contract Cities Association
 California Fashion Association
 California Gaming Association
 California Grocers Association
 California Hispanic Chamber
 California Hotel & Lodging Association
 California Independent Oil Marketers Association (CIOMA)
 California Independent Petroleum Association
 California Life Sciences Association
 California Manufacturers & Technology Association
 Californian Metals Fashion
 California Natural Gas Producers Association
 California Restaurant Association
 California Retailers Association
 California Self Storage Association
 California Small Business Alliance
 California Society of CPAs - Los Angeles Chapter
 California Trucking Association
 Carson Chamber of Commerce
 Carson Dominguez Employers Alliance
 Central City Association
 Century City Chamber of Commerce
 Cerritos Regional Chamber of Commerce
 Chatsworth Porter Ranch Chamber of Commerce
 Citrus Valley Association of Realtors
 Claremont Chamber of Commerce
 Coalition for Small Rental Property Owners
 Commercial Industrial Council/Chamber of Commerce
 Compton Chamber of Commerce
 Construction Industry Air Quality Coalition
 Construction Industry Coalition on Water Quality
 Covina Chamber
 Crenshaw Chamber of Commerce
 Crescenta Valley Chamber
 Culver City Chamber of Commerce
 Downey Association of REALTORS
 Downey Chamber of Commerce
 Downtown Center Business Improvement District
 Downtown Long Beach Alliance
 El Monte/South El Monte Chamber
 El Segundo Chamber of Commerce
 Employers Group
 Encino Chamber of Commerce
 Energy Independence Now EIN
 Engineering Contractor's Association
 EXP Future
 FastLink DTLA
 Filipino American Chamber of Commerce
 Friends of Hollywood Central Park
 FuturePorts
 Gardena Valley Chamber
 Gateway to LA
 Glendale Association of Realtors
 Glendale Chamber
 Glendora Chamber
 Greater Antelope Valley AOR
 Greater Bakersfield Chamber of Commerce
 Greater Lakewood Chamber of Commerce
 Greater Leimert Park Crenshaw Corridor BID
 Greater Los Angeles African American Chamber
 Greater Los Angeles Association of Realtors
 Greater Los Angeles New Car Dealers Association
 Greater San Fernando Valley Chamber
 Harbor Association of Industry and Commerce
 Harbor Trucking Association
 Historic Core BID of Downtown Los Angeles
 Hollywood Chamber
 Hong Kong Trade Development Council
 Hospital Association of Southern California
 Hotel Association of Los Angeles
 Huntington Park Area Chamber of Commerce
 ICBWA- International Cannabis Women Business Association
 Independent Cities Association
 Industrial Environmental Association
 Industry Business Council
 Inglewood Board of Real Estate
 Inland Empire Economic Partnership
 International Franchise Association
 Irwindale Chamber of Commerce
 La Cañada Flintridge Chamber
 LA Coalition
 LA Fashion District BID
 LA South Chamber of Commerce
 Lancaster Chamber of Commerce
 Larchmont Boulevard Association
 Latin Business Association
 Latino Food Industry Association
 Latino Restaurant Association
 LAX Coastal Area Chamber
 League of California Cities
 Long Beach Area Chamber
 Long Beach Economic Partnership
 Los Angeles Area Chamber
 Los Angeles County Board of Real Estate
 Los Angeles County Waste Management Association
 Los Angeles Economic Development Center
 Los Angeles Gateway Chamber of Commerce
 Los Angeles Gay & Lesbian Chamber of Commerce
 Los Angeles Latino Chamber
 Los Angeles Parking Association
 Los Angeles World Affairs Council/Town Hall Los Angeles
 MADIA
 Malibu Chamber of Commerce
 Marketplace Industry Association
 Monrovia Chamber
 Motion Picture Association of America, Inc.
 MoveLA
 MultiCultural Business Alliance
 NATOP Southern California Chapter
 NAREIT
 National Association of Minority Contractors
 National Association of Tobacco Outlets
 National Association of Women Business Owners
 National Association of Women Business Owners - LA
 National Association of Women Business Owners- California
 National Federation of Independent Business
 Owners California
 National Hookah
 National Latina Business Women's Association
 Orange County Business Council
 Pacific Merchant Shipping Association
 Panorama City Chamber of Commerce
 Paramount Chamber of Commerce
 Pasadena Chamber
 Pasadena Foothills Association of Realtors
 PhRMA
 Pico Rivera Chamber of Commerce
 Planned Parenthood Affiliates of California
 Pomona Chamber
 Rancho Southeast REALTORS
 ReadyNation California
 Recording Industry Association of America
 Regional Black Chamber-San Fernando Valley
 Regional Hispanic Chambers
 Regional San Gabriel Valley Chamber
 Rosemead Chamber
 San Dimas Chamber of Commerce
 San Gabriel Chamber of Commerce
 San Gabriel Valley Economic Partnership
 San Pedro Peninsula Chamber
 Santa Clarita Valley Chamber
 Santa Clarita Valley Economic Development Corp.
 Santa Monica Chamber of Commerce
 Sherman Oaks Chamber
 South Bay Association of Chambers
 South Bay Association of Realtors
 South Gate Chamber of Commerce
 Southern California Contractors Association
 Southern California Golf Association
 Southern California Grantmakers
 Southern California Leadership Council
 Southern California Minority Suppliers Development Council Inc.
 Southern California Water Coalition
 Southland Regional Association of Realtors
 Sportfishing Association of California
 Sunland/Tujunga Chamber
 Sunset Strip Business Improvement District
 Torrance Area Chamber
 Tri-Counties Association of Realtors
 United Cannabis Business Association
 United Chambers - San Fernando Valley & Region
 United States-Mexico Chamber
 Unmanned Autonomous Vehicle Systems Association
 US Green Building Council
 US Resiliency Council
 Valley Economic Alliance, The
 Valley Industry & Commerce Association
 Venice Chamber of Commerce
 Vermont Slauson Economic Development Corporation
 Veterans In Business Network
 Vietnamese American Chamber
 Warner Center Association
 West Hollywood Chamber
 West Hollywood Design District
 West Los Angeles Chamber
 West San Gabriel Valley Association of Realtors
 West Valley/Warner Center Chamber
 Western Electrical Contractors Association
 Western Manufactured Housing Association
 Western States Petroleum Association
 Westside Council of Chambers
 Whittier Chamber of Commerce
 Wilmington Chamber
 Women's Business Enterprise Council
 World Trade Center