

August 2, 2023

VIA EMAIL

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South Coast Air Quality Management District

Re: Comments on Proposed Amended Rule 1111- Reduction of NOx Emissions from Natural Gas-fired, Fan-type Central Furnaces

Dear Mr. Campbell & Ms. Yen:

We respectfully submit these comments in response to the July 19, 2023 Public Consultation Meeting concerning Proposed Amended Rule 1111- Reduction of NOx Emissions from Natural-Gas-Fired, Fan-Type Central Furnaces. We appreciate this opportunity to provide comment on the proposed amendment to this rule, and we also take this opportunity to strongly urge staff to prioritize adoption of strong zero- NOx appliance standards and put the 2022 Air Quality Management Plan (AQMP) into action.

Recognizing the region's extreme emissions reduction gap, the 2022 AQMP stated in no uncertain terms that the "only way to achieve the required NO_x reductions is through extensive use of zero-NO_x emission technologies across all stationary and mobile sources." For appliances in residential and commercial buildings, which account for 22.1 tons of NO_x emissions per day in the Air District, ¹ reducing emissions through zero-NO_x-emission standards will be critical to the District's efforts to attain national ozone standards.

More than six months have passed since the Governing Board's adoption of the 2022 AQMP, and we are still a long way from adopting zero- NO_x standards for building appliances. A rule that moves a portion of the region's commercial ovens to zero-emissions technology by 2036 will be adopted this week, and only one other zero-emission measure – Rule 1146.2 – has begun a full public process.

Clean air advocates have been waiting expectantly for the Residential and Commercial Building Appliances Working Group to be rescheduled from its February 2023 date, and it is

¹ South Coast Air Quality Management District, Residential and Commercial Building Appliances Policy Brief, 2022 Air Quality Management Plan, p.2.

unfortunate that this amendment to Rule 1111 simply serves to extend fossil fuel combustion in homes rather than moving to eliminate it. Prolonging the non-compliance fee for dirty fossil fuel furnaces in mobile homes, as the District is proposing in its amendment to Rule 1111, is a missed opportunity to start equitable zero-NO_x standards today. It also sends a strange signal where companies can wait until the absolute last moment of compliance, not develop a product, and then ask AQMD staff to scramble to get a rule amendment. This abuse of the process is a waste of time and distracts from other work that needs to be completed. It is also telling that manufacturers themselves are preparing for the inevitable transition to zero-NO_x equipment rather than expending resources to produce a limited low- NO_x distribution.²

We urge the District to commit to starting the zero- NO_x rulemaking process for appliances this year— with a first working group meeting this fall as has been promised. We need that commitment by the District to be official and mirrored in the rulemaking forecast. As of now, the Rule and Control Measure Forecast for the August 2023 Governing Board meeting continues to list Rules 1111, 1111.1, 1121, and 1121.1 as "TBD," which connotes a lack of urgency and no plan to get these critical rules passed to protect air quality and health.

By pivoting to rulemaking for Zero- NO_x standards for all residences sooner, the District can still build in time to tackle the unique challenges of the affordable housing market, including mobile homes, address equity concerns, and motivate stronger market adoption of cleaner technology like heat pumps. Having a well-thought-out plan for addressing mobile homes and equity concerns is possible—but only if the District starts that rulemaking process today.

We stand ready to work with staff to ensure that rules are rigorous and reflect the needs of the residents of the air basin.

Sincerely,

Fernando Gaytan Senior Attorney

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² SCAQMD, <u>Public Consultation Meeting for Proposed Amended Rule 1111</u>, July 19, 2023, slide 7.