



VIA ELECTRONIC MAIL

January 22, 2025

Chair McCallon and Members of the Committee
Stationary Source Committee
21865 Copley Drive
Diamond Bar, CA

Re: Agenda Item No. 3 – Strong Support for Go Zero Pilot Expansion

Dear Chair McCallon and Members of the Committee:

On behalf of the undersigned organizations, we write today to encourage expansion of the Go Zero pilot program. This committee approved the Go Zero pilot on June 21, 2024, and funds started to flow to the community and businesses on September 3, 2025. The presentation you will hear on Friday demonstrates the program has been incredibly popular. Even one stream of funding (multifamily) has been fully subscribed. In light of this demonstrable need *and* popularity, we urge this committee and the entire Governing Board to direct staff to expand this program by allocating additional funds and request the work be approved at the April Governing Board meeting. Funds to allow more efficient appliances are desperately needed, and we hope this Committee will request to expand this incredibly successful program beyond the pilot phase as soon as the first quarter of 2026 for the following reasons.

Public health will benefit from the allocation of additional resources. The need to tackle harmful pollution from appliances remains vital as the region continues to suffer from some of the worst air quality in the country. The region saw 110 dirty ozone days last year in 2025. As this committee is aware, appliance pollution is the single largest stationary source inventory under the agency's jurisdiction. Moving quickly to fill this incentive program means we can have thousands more zero-emitting appliances in our homes, apartments, and businesses by the start of the 2026 smog season.

More than \$80 million dollars is left in the Rule 1111 and 1121 Mitigation Fund. Significant funds remain in the Rule 1111 and 1121 mitigation fee fund that could be used now. Even after the \$21 million allocated for the Go Zero Pilot, it is our understanding there could be \$80 million or more left in the Rule 1111 and 1121 mitigation fee fund. This \$80 million would ideally be used to expand the Go Zero from a pilot to a full program. The Governing Board even approved a rule amendment at the December Governing Board meeting that will result in additional funds added to this pot.

Families and businesses need your support. We currently have significant affordability issues facing people in the region. The South Coast designed the Go Zero pilot to focus on families and businesses that need the support most. The Board now has the opportunity to provide tens of millions of dollars in support for communities that need it by allocating \$80 million to the program and making it a permanent program. Given the fully exhausted multifamily stream of funding, the Governing Board could allocate an additional \$10 million to multifamily in January while it vets the broader expansion of the program by the beginning of the second quarter of next year.

Specific Recommendations Regarding Program Design Based On Presentation Slides

The presentation provides some issues for consideration represented in the slide below.

Potential Considerations for Next Phase

- Allocate additional funds to single family, multifamily, outreach and application assistance**
 - Similar or higher levels of funding as pilot phase
- Expand rebate eligibility to:**
 - New construction in areas impacted by 2025 Los Angeles fires
 - Tribal lands within South Coast AQMD boundary map
 - Solar thermal water heating at similar rebate level
- Allocate some funding to recover staff time administering the program**
 - Other South Coast AQMD incentive programs include ~five percent administration fee

11

Here are our responses to the questions posed.

- The Committee should direct the staff to develop a program that fully allocates the remaining \$80 million in the Rule 1111 and 1121 mitigation fee fund.
- The staff should explore providing subsidies for fire rebuilding, with a focus on low and moderate income families.
- Our organizations support allocating funds for tribal lands in the South Coast AQMD boundary map.
- Our organizations do not support use of these limited funds for solar thermal water heating.
- Our organizations support the 5% administrative fee, but we encourage the South Coast AQMD staff to seek to support the program with lower amounts.

January 22, 2026

Page 3 of 3

- As the agency shifts from a pilot program to a permanent program, there should be a swift public process to solicit feedback on changes to improve the program as it moves from a pilot to a permanent one. Staff has already done a survey, and they should consider one workshop. The staff should bring back the final program to the Governing Board by the April Governing Board meeting.

We look forward to working with this committee and the entire Governing Board this year to bring appliances that are clean and more efficient.

Sincerely,

Adrian Martinez
Director, Right to Zero
Earthjustice

Yassi Kavezade
California Associate Director, Policy and Campaigns
Building Decarbonization Coalition

Ashley Jackson
Inland Empire Regional Organizer
California Environmental Voters

Kim Orbe
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