



March 18, 2025

South Coast Air Quality Management District
Planning, Rule Development, and Implementation
21865 Copley Dr.
Diamond Bar, CA 91765

Re: Clean Power Alliance Comments on SCAQMD Third Preliminary PARs 1111 and 1121

Clean Power Alliance of Southern California ("CPA") appreciates the opportunity to provide comments on South Coast Air Quality Management District's ("SCAQMD") Third Preliminary Proposed Amended Rules 1111 and 1121 ("PARs"). CPA also appreciates SCAQMD staff's efforts to broaden their public engagement since CPA's submittal of its October 2024 comments. CPA remains supportive of the PARs' approach to reduce nitrogen oxide ("NOx") emissions from natural gas-fired furnaces and water heaters and urges the Board to adopt the PARs. CPA also continues to commend SCAQMD's development of the Go-Zero Rebate Program ("Rebate Program") and its preserved launch timeline despite a delay in the PARs' implementation deadlines. Launching the Go-Zero Rebate Program as initially planned will help customers and the market prepare for and adapt to the PARs.

Background

CPA is California's largest community choice aggregator ("CCA"), serving over three million residents and one million customers across 35 communities in Los Angeles and Ventura counties. CPA is governed by a Board of locally elected officials who represent and serve our communities. CPA has been ranked the number one green power provider in the United States by the National Renewable Energy Laboratory ("NREL") for two years in a row.¹

CPA helps our customers and communities enhance resilience, conserve energy, reduce harmful greenhouse gas emissions, and save money on their electric bills. We seek to recognize and address the importance of healthy communities, including those disproportionately affected by air pollution and climate change. CPA advances the efforts noted above, in part, through our customer programs. CPA offers programs that provide incentives and benefits for low-income customers and disadvantaged communities that mitigate energy affordability challenges while advancing clean energy solutions.

¹ NREL 2023 Utility Green Power Rankings, 2024, at pp. 3 and 6. Found here:
<https://www.nrel.gov/analysis/assets/pdfs/green-pricing-top-10-2022-data-plus-archives-28aug2024.pdf>



The PARs and Go-Zero Rebate Program will help equitably improve the air quality, reduce emissions, and mitigate costs associated with the clean energy transition for CPA's customers and the communities we serve.

CPA Supports SCAQMD's Approach in the Third Preliminary PARs 1111 and 1121, the PARs Should be Adopted

CPA understands the potential long-term health, climate, and cost benefits associated with expanding use of zero-emission appliances and electrification in general. The potential benefits of zero-emission appliance standards are magnified in CPA's service territory considering CPA is recognized as the leading green power provider among all utilities in the country.

CPA continues to recommend SCAQMD adopt the PARs.

SCAQMD has Expanded its Education, Engagement, and Outreach Strategies and Practices Since October 2024

In its October 2024 comment letter, CPA recommended SCAQMD expand its current public outreach efforts to a broader stakeholder base before the SCAQMD Board votes to adopt the PARs. Since October, SCAQMD staff have hosted and engaged the public in at least six public meetings or consultations resulting in numerous verbal and email comments and 87 written comments submitted thus far. CPA acknowledges SCAQMD staff have expanded upon their outreach to better seek, receive, and incorporate input throughout the ongoing development of the PARs.

SCAQMD Should Continue its Expanded Education, Engagement, and Outreach Efforts Following the Adoption of the PARs

Assuming the SCAQMD Board adopts the PARs, CPA then recommends SCAQMD continue to identify and engage community partners to develop and execute a thorough education, engagement, and outreach strategy through the compliance deadlines (including the alternative compliance option deadlines of 2036) to improve public awareness of the standards and Go-Zero Rebate Program. CPA suggests SCAQMD continue to collaborate with members of its Environmental Justice Advisory Group and expand those efforts to members of similar groups and committees, such as the California Air Resources Board Environmental Justice Advisory Committee² and the Disadvantaged Communities Advisory Group³ advising California Public Utilities Commission and California Energy Commission actions.

CPA also continues to suggest SCAQMD incorporate efforts to collaborate with local governments, utilities, and local permitting agencies to improve and expedite the implementation of the PARs. The PARs will affect millions of customers across SCAQMD's jurisdiction and SCAQMD's engagement of and coordination with the impacted public should reflect the scope of the PARs' impacts following the adoption of the PARs.

² <https://ww2.arb.ca.gov/environmental-justice-advisory-committee>

³ <https://www.energy.ca.gov/about/campaigns/equity-and-diversity/disadvantaged-communities-advisory-group-dacag>

CPA Continues to Support the Rebate Program

CPA supports the Rebate Program and commends SCAQMD staff for retaining its launch date despite delaying the implementation dates for PARs 1111 and 1121. CPA understands there are challenges with electrification that must be addressed to achieve emissions reduction. Cost impacts associated with electrification, including upfront and capital costs, especially to low-income customers, are of particular concern to CPA. Maintaining the timely launch of the Rebate Program will help advance compliance with the PARs while reducing costs for Rebate Program participants considering SCAQMD already has funding available for the Rebate Program prior to collecting non-compliance fees.⁴ Once fees associated with alternative compliance or non-compliance are collected, SCAQMD's Rebate Program will appropriately direct fees collected for non-compliance with the PARs and reinvest those funds in compliant appliance incentives.

Conclusion

CPA appreciates SCAQMD staff's hard work on the PARs and looks forward to continuing to collaborate with staff throughout the remaining development and hopeful implementation processes.

If you have any questions, please contact C.C. Song at [REDACTED] and Clark McIsaac at [REDACTED].

Sincerely,

C.C. Song
Senior Director of Regulatory Affairs
Clean Power Alliance of Southern California

⁴ SCAQMD Presentation: Proposed Amended Rule 1111 – Reduction Of NOx Emissions From Natural Gas-Fired Furnaces (PAR 1111), Proposed Amended Rule 1121 – Reduction of NOx Emissions From Residential-Type, Natural Gas-Fired Water Heaters (PAR 1121); March 6, 2025; at slide 17.