

## CITY OF SANTA ANA

June 5, 2025

South Coast Air Quality Management District Governing Board 21865 Copley Drive Diamond Bar, CA 91765

RE: <u>Agenda Item No. 28 – Proposed Amended Rules 1111 and 1121</u> LETTER OF OPPOSITION (as proposed on June 6, 2025, Public Hearing)

Dear Chair Delgado and Members of the Governing Board,

On behalf of the City of Santa Ana, we respectfully submit this letter to express our strong opposition to the certification of the Final Subsequent Environmental Assessment and the adoption of Proposed Amended Rule (PAR) 1111 and Proposed Amended Rule (PAR) 1121, scheduled for consideration at your June 6, 2025, public hearing.

While we support the District's mission to improve air quality, the adoption of these amended rules would impose sweeping regulatory changes with severe and disproportionate financial consequences for working families, renters, seniors, and small business owners in Santa Ana and throughout Southern California. These rules propose to phase out the installation and replacement of natural gas-powered furnaces and water heaters, mandating a transition to zero-emission electric alternatives. This transition, however, is not without significant cost.

The implementation of these rules is expected to cost an overwhelming amount region-wide. These financial burdens will be directly absorbed by consumers, homeowners, apartment owners, and business operators, many of whom are already struggling to keep up with the rising cost of living. In Santa Ana, where many residents live in older homes, the conversion to all-electric appliances is not as simple as equipment replacement; it often requires costly electrical panel upgrades, plumbing reconfigurations, and structural renovations that could price many families out of their homes.

Apartment owners will likely be forced to pass on these retrofit costs to tenants, which will worsen the existing housing affordability crisis. Renters in Santa Ana, many of whom are already rent-burdened, will face increased housing insecurity as a result. At a time when the State is mandating that cities like ours expand the availability of affordable housing,

Letter of Opposition – SCAQMD Proposed Amended Rules 1111 and 1121 Page 2

imposing regulations that increase construction and operating costs runs directly counter to those goals.

Furthermore, the proposed shift to electric space and water heating systems will place even greater demand on California's already stressed power grid. These appliances are essential to daily living, and widespread electrification without corresponding infrastructure improvements raises legitimate concerns about energy reliability, especially during peak usage periods and in the event of grid failure. The risk of brownouts or power outages will only be heightened by these rules.

We are also deeply concerned by the limited awareness of these proposed amendments among the general public. While South Coast AQMD reports that over 17,000 stakeholders were engaged throughout the process, this figure represents 0.1% of the 17 million residents within the District's jurisdiction. Justifying such drastic changes based on input from only one-tenth of one percent of the entire population served is not only unacceptable, but irresponsible. Additionally, with only 14,500 public comments submitted, it is clear that the vast majority of those most affected were either unaware of the proposed rule changes or unable to meaningfully participate. For such a transformative policy, this level of public engagement is inadequate and signals a need for broader, more accessible outreach to ensure all voices are heard, especially those from historically underrepresented and economically vulnerable communities.

While we recognize the importance of reducing NOx emissions to protect public health and environmental quality, the projected benefits of these amendments are relatively modest. As presented, the anticipated air quality improvement, a 6.1 tons per day reduction in NOx emissions by 2061, is minimal compared to the massive economic impact these rules would impose on millions of households and businesses in the South Coast region.

The City of Santa Ana is committed to supporting environmental sustainability and the transition to cleaner technologies. However, this transition must be implemented thoughtfully, equitably, and with full regard for the financial realities facing our residents. The current proposal lacks the support infrastructure, affordability measures, and equity considerations necessary to ensure that no community is left behind.

For these reasons, we urge the South Coast AQMD Governing Board to reject or indefinitely delay certification of the environmental assessment and adoption of Rules 1111 and 1121. We encourage the District to work collaboratively with local governments and community stakeholders to explore cost-effective, incentive-based alternatives that achieve air quality goals while protecting the housing and economic stability of Southern California residents.

Thank you for your leadership and for considering the serious implications of this proposal on the communities we serve.

Letter of Opposition – SCAQMD Proposed Amended Rules 1111 and 1121 Page 2

Sincerely,

Valerie Amezcua Mayor Alvaro Nuñez City Manager

Cc: Senator Tom Umberg

Assemblymember Avelino Valencia