





Orange County Taxpayers Association

REALTORS





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NORTHERN CALIFORNIA

Hon. Vanessa Delgado, Chair South Coast Air Quality Management District 21865 Copley Drive Diamond Bar, CA 91765

RE: Continued Opposition – Proposed Amended Rules 1111 & 1121

Dear Chair Delgado and Honorable Governing Board Members:

On behalf of the Cost of Living Council — which represents a broad alliance of organizations committed to protecting working families, small businesses, social justice advocates, renters, and homeowners — we write to express our strong, continued opposition to the Proposed Amended Rules (PAR) 1111 and 1121 **as publicly noticed on April 29, 2025.** We remain firmly opposed to the newly amended rules and urge the Governing Board to vote no on June 6.

SCAQMD staff's recent revisions fall short of resolving the significant economic costs these rules, even as amended, will place on Southern California residents, small businesses, schools, and others.

The proposed amended rules would significantly increase consumer costs by either forcing the adoption of far more expensive all-electric space and water heaters or putting significant financial strain on consumers who wish to continue to use affordable natural gas options but must now pay for the privilege of doing so. The proposed manufacturer fees represent an additional hidden cost that will inevitably be passed down to consumers.

These amended rules are projected to impose more than \$300 million in additional annual expenses on residents — totaling approximately \$7.7 billion over the average 25-year appliance lifespan.

These costs are accurate only if all-electric appliances last the entirety of their projected lifespans. In April, *Consumer Reports* released an analysis showing that these electric appliances are only lasting a fraction of their expected lifespan:

"We found that 30 percent of heat pumps broke or stopped working by the end of the eighth year of ownership, essentially halfway through their expected lifespan. That makes them one of the least reliable products we have ratings for."

At a time when families across the region are struggling with historic cost of living pressures, imposing further financial hardship is untenable.

Moreover, the amendments overlook the high retrofitting and electrical upgrade expenses that older homes, apartment buildings, small businesses, and dated schools will be forced to absorb

to accommodate all-electric technology. These upgrades could easily run into tens of thousands of dollars per property — a staggering and disproportionate burden for many middle- and lower-income households.

Compounding this, the additional load on an already fragile electrical grid introduces severe public safety and reliability concerns. Our grid — heavily reliant on nonrenewable energy sources like natural gas — is already strained, contributing to rolling blackouts and deadly wildfires. Further stressing this infrastructure without adequate capacity improvements is reckless and dangerous.

An alternative path forward would be to work with manufacturers to strengthen ultra-low NOx emission standards for natural gas appliances, allowing for environmental progress without shifting unsustainable costs onto consumers.

The Cost of Living Council coalition supports efforts to improve air quality, but the proposed amendments will cause real economic harm to our communities, particularly to vulnerable populations.

Finally, and as we are sure that you're aware, the SCAQMD has received letters and resolutions of opposition from nearly 40 local governments opposing Proposed Amended Rules 1111 and 1121. Despite SCAQMD staff's recent efforts to convince these COGs and cities to reverse their stated position, these efforts have been wholly unsuccessful.

Local governments that have submitted letters and/or resolutions of opposition include:

- Association of California Cities Orange County
- Anaheim
- Brea
- Canyon Lake
- Chino
- Chino Hills
- Coachella Valley Association of Governments
- Colton
- Dana Point
- Fontana
- Fountain Valley
- Fullerton

- Glendora
- Huntington Beach
- La Habra
- Lake Elsinore
- Lake Forest
- Lakewood
- La Verne
- Loma Linda
- Menifee
- Murrieta
- Newport Beach
- Norco
- Orange
- Palm Desert
- Placentia

- Rancho Cucamonga
- Rancho Santa Margarita
- San Clemente
- Temecula
- Tustin
- Upland
- Yorba Linda
- Orange County Council of Governments
- San Bernardino Council of Governments
- San Gabriel Valley
 Council of Governments
- Western Riverside
 Council of Governments

We were also disheartened to learn that SCAQMD staff suddenly cancelled a planned presentation before SCAG to discuss these rules. If we're not mistaken, wasn't the reason why

a May 2025 vote before the Governing Board was moved to June so staff could present the regulations to SCAG?

The abrupt cancellation highlights larger concerns about the SCAQMD's unwillingness to provide effective, broad-based public outreach on these two rules, especially relevant because they will ultimately directly impact up to 17 million consumers in the South Coast region.

For these reasons, we are joined by more than 70 social justice, senior, consumer, small business, and community organizations in our coalition, along with over 10,000 residents respectfully urging the Governing Board to reject Proposed Amended Rules 1111 and 1121 and pursue more balanced solutions that protect both our environment and the economic stability of Southern Californians.

Thank you for your consideration.

Sincerely,

Ben Granholm Coalition Director

3rd Step Ministry Coalition of Filipino American Chambers of

Advancing the Seed Commerce

Affordable Housing Clearinghouse Community Build, Inc.

Apartment Association of Greater Los Angeles Community Housing Opportunities Corporation

Apartment Association of Orange County Construction Industry Air Quality Coalition

Apartment Owners Association of California Fontana Chamber of Commerce
Asian Industry B2B Gateways Chamber Alliance
Associated Builders and Contractors of Golden Years Policy Council

Southern California Greater San Fernando Valley Chamber of

California Business Roundtable Commerce

California Community Builders Groundswell for Water and Housing Justice

California Consumer Advocates for Affordability Guatemalan-American Chamber of Commerce

& Safety Hispanics in Energy

California Consumer Voice Howard Jarvis Taxpayers Association

California Desert Association of REALTORS® ICON CDC

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California Hispanic Chambers of Commerce Inland Empire Latino Coalition
California Local Business Connection Inland Gateway Association of REALTORS®

California Rental Housing Association Inland Valleys Association of REALTORS®
California Senior Alliance Lake Elsinore Valley Chamber of Commerce

Carson Chamber of Commerce Jesse Miranda Center for Hispanic Leadership

Casita Coalition L Corp

Central Valley Business Federation Latin American & Caribbean Chamber of

Commerce

Latin Business Association Latino Consumer Federation Latino Restaurant Association Los Angeles County Business Federation Los Angeles County Taxpayers Association Los Angeles Latino Chamber of Commerce Los Angeles South Chamber of Commerce **National Diversity Coalition** Neighborhood Partnership Housing Services Nicaraguan-American Chamber of Commerce Northwest Valley Chamber of Commerce **Orange County Business Council** Orange County Hispanic Chamber of Commerce Orange County REALTORS® Orange County Taxpayers Association Pacific West Association of REALTORS® Pasadena Chamber of Commerce & Civic Association

cc: Members of the Governing Board
Wayne Nastri
Michael Krause
Heather Farr
Jennifer Vinh
Los Angeles Mayor Karen Bass
Long Beach Mayor Rex Richardson

Rancho Cucamonga Chamber of Commerce Redlands Chamber of Commerce Regional Chamber of Commerce - San Gabriel Vallev RestoreLA-CDC San Gabriel Valley Economic Partnership Simi Valley Chamber of Commerce Soledad Enrichment Action Southwest Riverside County Association of **REALTORS®** The Excel Group The Two Hundred for Homeownership Tri-Counties Association of REALTORS® United Chambers of Commerce of the San Fernando Valley United Latinos Action

Valley Industry & Commerce Association

Yorba Linda Chamber of Commerce

Valley Industry Association of Santa Clarita