Santa Ana City Council 20 Civic Center Plaza Santa Ana, CA 92701 eComment@santa-ana.org



RE: OPPOSE Agenda Item #18, a Resolution Opposing SCAQMD Rules 1111 and 1121

Members of the Santa Ana City Council,

Tonight you will vote on a proposal to oppose South Coast Air Quality Management District (SCAQMD) rules 1111 and 1121. These rules, regulating gas furnaces and water heaters, would regulate one of the largest sources of noxious NOx emissions, would improve public health by reducing the negative effects of diseases like asthma, and clean the air that we all breathe.

SCAQMD is the air regulator for 17 million Californians who suffer from some of the worst air quality in the country. Within the South Coast region, Santa Ana stands out on <u>CalEnviroScreen</u> as a city that is disproportionately burdened by multiple sources of pollution, including the kinds that would be regulated by the proposed rules.

These rules have recently been revised to use a new framework, which, alongside previous claims in the proposed resolution, make most of the statements in the resolution no longer accurate or potentially misleading. Below we respond to each clause of the resolution individually:

- Clause 3 claims "Rules 1111 and 1121...[will deliver] minimal measurable air quality improvements." At Working Group Meeting #8, held February 13, 2025, AQMD staff presented this slideshow, which on Slide 6 shows that NOx emission reductions from space and water heating would be greater than reductions from refinery equipment, and between 6 to 7 times greater than reductions from electricity generating facilities.
- Clause 4 claims "these rules propose a ban on natural gas-powered furnaces." This is no longer accurate, with <u>Slide 11 of the Working Group Meeting presentation</u> showing that even after 2036, the new framework for the rules would allow gas furnaces to be sold. A plaintext interpretation of that slide can be found <u>here</u>, under "Healthy Air Standards."
- Clause 5 implies that the rules will "significantly elevate costs." However, the AQMD staff report at pdf page 38 found the rules cost-effective in every instance but one. Additionally, with the new rules framework, the onus is no longer on the owner but on the appliance manufacturer.

- Clause 6 says "Rules 1111 and 1121 specifically impact individual homeowners, apartment complexes, and businesses." This is no longer the case, as <u>Slide 12 of the Working Group Meeting presentation</u> shows that solely appliance manufacturers are subject to the proposed rules.
- Clauses 7 and 8 state that new electric appliances would be "costly" or "financially burdensome," however there are numerous rebates available for consumers, including the pilot Go Zero Program by AQMD (of which 75% of rebate funding will go to overburdened communities as shown on pdf page 7), HEEHRA rebates funded by the Inflation Reduction Act, Comfortably CA, and Golden State Rebates.
- Clause 7 also mentions electrical panel upgrades, however the <u>AQMD staff report</u> at pdf page 34 finds that at most 9% of homes would need a new electrical panel.
- Clause 9 states that these rules will "impose a significant increase in electricity demand on California's power grid." This concern may be true, which is why it is important to ease access to more renewable energy sources, generation, and storage, such as making it easier to install, solar panels, wind turbines, and battery energy storage systems. More renewable and distributed energy resources will ease grid demand and enable ratepayers to own their own power and realize lower rates.
- Finally, Clause 10 demands "solutions be both practical and equitable, balancing environmental benefits with the economic realities faced by residents and businesses." These proposed rules have been amended to address affordability concerns and the agency proposing them has begun a pilot rebate program alongside numerous other rebate programs. These proposed rules would reduce emissions by more than could be reduced by regulating every refinery in the South Coast Region. And these proposed rules would reduce health impacts by preventing:
 - 4,000 premature deaths
 - 16,000 new asthma cases
 - 4,000 emergency room visits

These rules are practical, will benefit overburdened communities, and represent some of the largest environmental benefits proposed by AQMD.

Given these flaws in the proposed resolution, Climate Action Campaign respectfully requests you vote no on Item 18.

Sincerely,

David Martinez
OC Climate Equity Advocate and Organizer
Climate Action Campaign