

December 19, 2024

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

RE: Comments on Proposed Amended Rules 1111 and 1121

Dear Members of the Governing Board:

On behalf of the Long Beach Area Chamber of Commerce representing approximately 850 businesses. I am writing to express significant concerns regarding Proposed Amended Rules 1111 and 1121.

While we support the SCAQMD's mission to improve air quality, we have serious concerns about the economic impact and feasibility of these proposed amendments:

1. Economic Burden

- Estimated replacement costs of \$18,500-\$21,500 for space heaters and \$5,200-\$8,200 for water heaters present a significant financial burden
- Many businesses and property owners may require electrical panel upgrades, adding substantial costs
- Small businesses operating on thin margins will be particularly impacted
- 2. Implementation Timeline
  - The proposed 2026 implementation date does not provide adequate time for businesses to plan and budget for these significant investments
  - Supply chain and workforce readiness issues need to be addressed
  - Infrastructure requirements for widespread electrification need further assessment
- 3. Consumer Impact
  - Cost increases will likely be passed on to tenants and consumers
  - Limited availability of compliant units could create supply shortages
  - Many properties will require significant electrical upgrades



CATALYST for business growth | CONVENER of leaders and influencers | CHAMPION for a stronger community.

**Recommendations:** 

- 1. Extend the implementation timeline to allow for proper planning and budgeting
- 2. Consider a phased approach based on building type and size
- 3. Develop incentive programs to assist with transition costs
- 4. Conduct additional economic impact analysis on small businesses
- 5. Allow for alternative compliance pathways

We request that SCAQMD carefully consider these impacts and work with the business community to develop a more feasible implementation approach that achieves air quality goals while maintaining economic vitality in our region.

Sincerely,

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Jeremy Harris President & CEO Long Beach Area Chamber of Commerce