



December 18, 2024

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

RE: Comments on Proposed Amended Rules 1111 and 1121

To the Members of the Governing Board:

The South Bay Association of Chambers of Commerce (SBACC), representing fifteen chambers of commerce and over 60,000 businesses in the South Bay region, writes to express significant concerns regarding Proposed Amended Rules 1111 and 1121.

After careful review of the proposed amendments, we have identified several critical issues that will significantly impact our business community:

Financial Impact

- The estimated replacement costs of \$18,500-\$21,500 for space heaters and \$5,200-\$8,200 for water heaters represent a substantial burden for our businesses
- Many properties will require electrical panel upgrades, adding significant unplanned capital expenses
- These costs will disproportionately affect small businesses and property owners already operating on narrow margins

Implementation Concerns

- The 2026 timeline does not provide adequate time for businesses to plan and budget for these significant investments
- Current supply chain constraints and workforce limitations could create significant compliance challenges
- The electrical infrastructure requirements for widespread adoption need further assessment

Economic Analysis

- The cost-effectiveness analysis appears incomplete, particularly regarding multi-family and commercial properties
- Additional study is needed on the economic impact to renters and small businesses
- Infrastructure readiness and grid capacity concerns require further evaluation

We respectfully request that SCAQMD:

1. Extend the implementation timeline to allow for proper planning and financing
2. Conduct additional economic impact analysis
3. Consider alternative compliance pathways
4. Develop incentive programs to assist with transition costs
5. Address infrastructure readiness concerns

While SBACC supports efforts to improve air quality in our region, we believe these rules as currently proposed would create undue hardship for our business community. We urge you to address these concerns before proceeding with rule adoption.

Sincerely,

A handwritten signature in cursive script that reads "Kimberly Caceres".

Kimberly Caceres
Board President
South Bay Association of Chambers of Commerce