



December 22, 2023

VIA E-MAIL

Michael Krause, Assistant DEO  
South Coast Air Quality Management District  
21865 Copley Drive  
Diamond Bar, CA 91765

RE: 1146.2 Working Group Meeting #5 Comments

Dear Mr. Krause,

Thank you and your staff for the latest working group meeting on 1146.2. Navien wishes to provide the following additional input on the issue.

First, we echo and support the comments offered during the working group meeting by Don Nguyen from OC Sanitation about repairing commercial water heaters. If a unit is installed in December of 2028 and needs a replacement part in January of 2029, it seems SCAQMD's position is that the unit must comply with zero CO and NOx emissions. We believe that 1146.2 needs to be revised to make clear that units within their anticipated life cycle should be able to be repaired and put back into service without meeting zero emission standards.

Second, we are concerned about the mandate for labeling units for new construction beginning in 2025. We echo Bradford White's comments that this should not be the responsibility of manufacturers. Our products are sold all over the United States and we have no way of identifying which ones will end up in the South Coast Basin at the point in the manufacturing process where stuck labels would be applied. Further, imposing a labeling requirement which specifies that a product may not be installed in certain situations will cause confusion in areas outside of the District. We ask that 1146.2 consider removing the labeling requirements entirely.

Third, I request clarification of the slide on page 40 of the December 13, 2023 working group deck. It indicates an exception to the end-of-useful-life zero emission requirements of 1146.2 for units installed in residences. However, the language indicates that the exemption is provided because most units covered by 1146.2 are commercial. As we have discussed with your staff, Navien's tankless water heaters are caught somewhere between 1121's residential rules and 1146.2 commercial rules. The distinction based on BTU capacity is not clear and this proposed exemption does not assist with understanding which rules will apply to the use of our tankless (and we would re-emphasize, already extremely low-NOx) products when they are installed in residences. I would appreciate your written response explaining which parts of the proposed 1146.2 apply to Navien's tankless units and which aspects of the proposed 1121 would cover those units.

Page 2 of 2  
SCAQMD  
December 22, 2023

Finally, Navien's tankless water heaters fall under the Residential Water Heaters category as defined by the United States Department of Energy (DOE). These products are classified in the Residential category based on the Uniform Energy Factor (UEF) standards, which indicate the energy efficiency of the product. (According to DOE compliance, gas tank water heaters with an input of 75,000 Btu/h or less and instantaneous water heaters with an input of 200,000 Btu/h or less are categorized for residential use.)

Although most installations of instantaneous water heaters are in residential settings, the current classification under Rule 1146.2 places these water heaters in the commercial category, causing significant confusion. Therefore, tankless products with an input of 200,000 Btu/h or less must be addressed within the residential category. This revision will eliminate unnecessary confusion for both manufacturers and consumers.

Again, thank you for your time in considering these points. I look forward to your reply.

Sincerely,



KEVIN PIROTIN  
Vice President  
Engineering & Service  
Navien, Inc.