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Chino Valley Chamber of Commerce Legislative Advocacy Committee 13150 7th Street, Chino, CA 91710 www.chinovalleychamber.com

May 21, 2025

Faye Thomas, Clerk of the Boards South Coast Air Quality Management District 21865 Copley Drive Diamond Bar, CA 91765

RE: Proposed Amendments to Rule 1111 and Rule 1121 - Business Impact Concerns

Dear Ms. Thomas and Members of the Governing Board,

On behalf of the Chino Valley Chamber of Commerce Legislative Advocacy Committee, I write to express our serious concern regarding the South Coast AQMD's Proposed Amendments to Rules 1111 and 1121. As the voice of our local business community, we support sustainable air quality improvements; however, the proposed amendments raise significant legal, economic, and practical concerns that will negatively impact our regional economy, small businesses, and working families.

The proposed rules—particularly the imposition of zero-NOx emission standards and associated mitigation fees—would effectively phase out affordable natural gas appliances. These changes pose an undue financial burden on businesses already navigating high operating costs, labor challenges, and post-pandemic recovery. According to publicly available cost analyses, switching to heat pump technology will increase upfront appliance and installation costs by thousands of dollars, with payback periods extending over a decade. This is not feasible for many small businesses and property owners operating on thin margins.

Moreover, these amendments restrict consumer and business choice. By artificially limiting market availability of natural gas appliances and layering on escalating fees, the rules introduce uncertainty for manufacturers, distributors, and service providers alike. This could lead to reduced local supply chain activity, job losses, and slower adoption of cleaner technologies—precisely the opposite of what we all hope to achieve.

We urge the Board to delay adoption of these rules and instead direct staff to conduct a thorough feasibility study, including lower-NOx, fuel-neutral alternatives that maintain affordability and true consumer choice. The economic vitality of our region must be a factor in rule development.



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Thank you for your consideration of the business community's perspective.

Sincerely,

Zeb Welborn

President & CEO

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Chino Valley Chamber of Commerce

On behalf of the Legislative Advocacy Committee