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Thank you for this opportunity to provide comments on the proposed changes to BAAQMD Regulation 9, Rules 4 and 6. StopWaste is a Joint Powers Agency (JPA) of local governments in Alameda County dedicated to waste reduction, energy efficiency and building decarbonization. We are governed by Boards of elected officials in Alameda County and work closely with local governments in our region to engage communities in improving environmental performance. We have supported the green building movement through tools, funding, and policy for over two decades.

We are writing in support of BAAQMD taking the lead on regulating the sale and installation of equipment that emits greenhouse gases from fossil fuel burning across the region.

In our role as program administrator for the Bay Area Regional Energy Network's (BayREN) heat pump water heater (HPWH) contractor incentive program, we are familiar with the market development work for HPWHs happening at this time and what is expected over the next several years both regionally and statewide. BAAQMD funded the design of the HPWH contractor incentive program through the local government Climate Protection Grants in 2018, helping to launch our work and partner programs in the region. Based on our experience and observation, we support the proposed BAAQMD rule change because it:

- **Creates regional consistency**, which is more compatible with the fluid boundaries for contractors than the patchwork nature of incentive programs and potential local requirements cities would begin to pass without this rulemaking.
- **Establishes a date certain** that sends a clear signal to all involved parties. This is timely, as market actors shifting their business models can take advantage of new incentive programs (including TECH and SGIP under the CPUC) to ease the transition.

We also recognize the complexity of the technology and markets, and share the following concerns:

- Substituting HPWHs for fossil fuel water heaters on burnout is **still a challenge** at this time due to the complications involved with upgrading electrical panels and circuitry to support HPWHs. The same complications are true for space heating heat pumps as well.

- The rule changes must be **implemented with equity in mind**, improving outcomes for communities and households that have been historically underserved by incentive programs. Otherwise, the rule change may disproportionately burden low-income households.

We therefore appreciate the **development of interim reports** provided two years prior to the compliance date to ensure that technology is available and that the costs of purchase and installation are offset by incentive programs if necessary, and also think that the suggestion from committee members of having reports annually to inform this process as it develops would be helpful.

We support the creation of a working group to advise BAAQMD staff in the implementation of proposed Rules 9-4 and 9-6 changes and would be happy to support with participation or by facilitating connections with local governments in Alameda County and other organizations impacted by the rule change.

StopWaste and our Alameda County member agencies represent 1.7 million residents and encompass a diversity of city scales, construction types, and communities. We are working every day to bring about equitable solutions to the climate challenge, and we look forward to partnering with BAAQMD on these groundbreaking rule changes.

Sincerely,

Timothy Burroughs, Executive Director