



Date: February 6, 2023

Bay Area Air Quality Management District
375 Beale Street, Suite 600
San Francisco, CA 94105
jelwell@baaqmd.gov

RE: Support of the Proposed Amendments to Regulations 9-4 and 9-6

Dear Jennifer,

East Bay Community Energy (EBCE) supports the proposed amendments as outlined in Regulation 9, Rule 4: Nitrogen Oxides from Fan Type Residential Central Furnaces, and Regulation 9, Rule 6: Nitrogen Oxides Emissions from Natural Gas-Fired Boilers and Water Heaters.

BAAQMD proposed two amendments aimed to improve overall public health of Bay Area residents and regional air quality. EBCE supports advancing Regulation 9, Rule 4: Nitrogen Oxides from Fan Type Residential Central Furnaces, and Regulation 9, Rule 6: Nitrogen Oxides Emissions from Natural Gas-Fired Boilers and Water Heaters because it not only aligns with the State's bold environmental direction, but it also directly addresses health concerns that environmental justice communities historically have faced. For example, the reduction of NOx and particulate matter, including PM2.5 exposure would directly impact communities of color who are disproportionately affected by poor air quality and the lack of resources to combat such issues. Research has shown that people of color and lower-income groups in the United States are at a higher risk of premature death due to the exposure of PM2.5 compared to other populations.¹ It is in the best interest of the region's regulatory body to protect its constituents from harmful air pollutants, therefore EBCE supports BAAQMD's policy proposals, signaling advance electrification measures for the building industry as noted in Regulation 9-4 and 9-6.

The proposed amendments would prohibit the sale of methane-fueled residential water heaters by 2027, methane-fueled residential and commercial furnaces by 2029, and methane-fueled commercial water heaters and boilers by 2031. EBCE is concerned that leaning on the market could leave those who cannot afford this expensive transition away

¹ Jbaily, A., Zhou, X., Liu, J. *et al.* Air pollution exposure disparities across US population and income groups. 2022

from methane-fueled appliances to carry the gas infrastructure costs. Particularly, the costs and availability of labor and installation could be factors in preventing residents from adopting all-electric appliances. Therefore, EBCE asks that the Air District staff continue to consider the questions and guiding principles, as well as adopt the proposal for a formal Working Group as listed in the Staff Report issued in December 2022 ensuring the accessibility of these products and considerations of low-income communities.² Additionally, EBCE proposes that BAAQMD amplify some of the programs that many Community Choice Aggregators including EBCE have deployed that can be complementary to these market changes.

Because of the shift in the market, EBCE can provide support to our residents by offering programs and services to help our customers transition to clean electric appliances. For example, EBCE offers the Health-e Home Program in partnership with BlocPower and Revalue.io. This program provides low- to moderate-income homeowners with affordable financing options to gain access to the health and safety benefits of a transition to clean energy and electric appliances. This includes energy-efficient whole home upgrades including installation of clean heating, cooling, hot water systems, and electric appliances. The program is income-based, available to EBCE customers who earn up to 120% of area-median income. EBCE's incentives range from \$4,000 to \$15,000 based on annual household income.

Thank you for considering our comments and for your leadership on this important matter. EBCE is available for any further discussions aimed to prioritize the public health of our communities and residents.

Sincerely,

Feby Boediarto

Regulatory Analyst

² Staff Report – Proposed Amendments to Building Appliance Rules – Regulation 9, Rule 4 and Rule 6 posted on December 19, 2022 on 44.