





19001 Kermier Road Waller, TX 77484 Tel: 713-861-2500 www.northamerica-daikin.com

SUBMITTED VIA EMAIL to yzhu1@aqmd.gov

October 31, 2024

Ms. Yanrong Zhu Program Supervisor South Coast Air Quality Management District 21865 Copley Drive Diamond Bar, CA 91765

Re: Proposed Amended Rule 1111: Reduction of NOx Emissions from Natural Gas-Fired Furnaces

Dear Ms. Zhu,

Daikin Comfort Technologies Manufacturing, L.P. (formerly Goodman Manufacturing Company, L.P.) ("Daikin") submits the following comments to the South Coast Air Quality Management District ("SCAQMD") in response to the proposed amendments to Rule 1111: Reduction of NOx Emissions from Natural Gas-Fired Furnaces.

Daikin is a member of Daikin Group, the largest heating, ventilation, and air conditioning ("HVAC") manufacturer in the world. Daikin is headquartered in Waller, Texas, and employs thousands of workers across the United States. The company manufactures residential and light commercial heating and cooling equipment, and its products are sold and installed by contractors in every American state and territory, as well as in Canada.

Daikin acknowledges the need for SCAQMD to address air quality issues within the District, and the proposed amendments to Rule 1111 are one way to help the District attain the desired results. However, there are several potential flaws with the proposed amendments as were noted during the Public Meeting on October 3, 2024. These comments are to support the verbal comments made during that meeting.

Section (h)(3) notes specific wording that shall be used concerning the effective dates as the information is presented in quotation marks. Daikin does not make manufactured home furnaces and therefore the wording on this label is extraneous and provides no value to Daikin customers. Can the regulation wording be adjusted to delete the quotation marks and allow a manufacturer to create wording to meet the intent of the requirements that fits their products? Example, a Daikin label might state "If installed in South Coast AQMD: 1) After January 1, 2026, shall not be sold for installation in new buildings and 2) After January 1, 2028, not compliant for use and installation in South Coast AQMD."

DAIKIN COMFORT TECHNOLOGIES MANUFACTURING, L.P.







19001 Kermier Road Waller, TX 77484 Tel: 713-861-2500 www.northamerica-daikin.com

There is also another issue with this labeling requirement. Since these proposed amendments allow for an alternative compliance option for short-term rentals, this labeling requirement in Section (h)(3) is contradictory. Stating that the product is not compliant for use or installation in South Coast AQMD beyond a specific date, but then allowing it to be installed on a rental basis beyond this same specific date are conflicting statements. This needs to be addressed to avoid confusion.

Daikin has previously noted our concerns about the proposed amendments making the new compliance dates based on installation date. BAAQMD Reg 9 Rule 4, which has completed the implementation of similar 0.0 ng/J NOx regulations currently uses "manufactured date" for compliance. Daikin urges SCAQMD to also adopt "manufactured date" for compliance. Since ULN products are only sold in three AQMDs in CA, there is a greater likelihood of stranded inventory if an installed date is used for compliance. These products cannot simply be sent to other markets for sale. Daikin recommends SCAQMD Staff to reconsider this portion of the regulation and rewrite it based on "manufactured date" compliance.

Daikin is also concerned about the equations in Section (e)(2). Both of these equations use the value of "E" in the calculation, but E is defined as AFUE, percent. This is fine for the current definitions of central gas-fired furnaces, but with these proposed amendments, SCAQMD is adding commercial furnaces (>225,000 Btuh), wall furnaces and floor furnaces. None of these other products are included in the scope of ASHRAE 103 and therefore cannot be tested to this standard to measure AFUE. The equations must be revisited by staff to correct this error.

Daikin noted a concern over the requirements for annual reporting requirements in Section (h)(5) during the public meeting. If a manufacturer does not sell any furnaces into the district, why would there be any reporting requirements? This section does not provide any exceptions to the reporting requirements for no sales.

Daikin appreciates the opportunity to provide these comments. If you have any questions regarding this submission, please do not hesitate to contact me.

Sincerely,

Robert S. Glass

Director Regulatory Affairs

Tel: 205/759-9638

Email: Robert.Glass@daikincomfort.com

Roll S. Blo