

October 16, 2024

The Honrable Vanessa Delgado, Chair South Coast Air Quality Management District Governing Board 21865 Copley Drive Diamond Bar, CA 91765

Re: Delayed Action Requested on Proposed Amended Rules 1111 & 1121

Dear Chair Delgado:

Orange County Business Council (OCBC), the leading voice of business in Orange County, kindly requests that the South Coast Air Quality Management District (SCAQMD) Governing Board postpone any action on Proposed Amended Rules (PAR) 1111 & 1121.

OCBC supports sustainable public and private infrastructure that protects public health, facilitates a well-educated public and workforce, and supports a robust economy – all while providing for reliable natural gas and electric transmission, distribution, and storage systems and supports sufficient "green" and open space infrastructure to promote quality of life. However, OCBC has serious concerns regarding PAR 1111 & 1121 – namely, we simply believe that there has not been enough time to collect a robust set of data and information regarding the overall impact these rules would have on the business communities thoughout the district.

If these PARs are adopted as written, it could have a significantly negative impact on the housing market, which is already a point of contention for Orange County's resident workforce. Mandating building owners to refurbish their facilities to be in compliance with these regulations, especially when done at scale, will cost owners an excessive amount in costs – which will likely be passed down to renters. This comes at a time in which the cost of living is at an all time high across the region.

These PARs will also have a significant impact on the hospitality industry – which is one of Orange County's most vibrant and diverse economic sectors. Many in the hospitality industry are still recovering from losses that were experienced during the state mandated lockdowns during the COVID-19 pandemic. Adding expansive regulatory burdens only a mere few years removed from the pandemic could prove to be detrimental.

OCBC will continue to support a comprehensive approach, and inclusive dialogue, to addressing the state's infrastructure needs and will continue to work with government entities, such as SCAQMD, to ensure that the voice of the Orange County business community is engaged when discussing comprehensive infrastructure improvements – such as natural gas infrastructure, among other things.

Orange County Business Council appreciates your consideration of our concerns on this matter.

Sincerely,

Jeffrey Ball President/CEO