



"Serving Southern California Businesses since 1904!"

SCAQMD PAR 1111 and PAR 1121

Mr. Peter Campbell
Planning, Rule Development, and Implementation
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765
Email: pcampbell@aqmd.gov

Re: Comments on PAR 1111 and PAR 1121

Dear Mr. Campbell:

My associates and I appreciate the opportunity to provide comments on the South Coast Air Quality Management District proposed Amended Rule 1111 – Reduction of NO_x Emissions from Natural Gas-Fired Furnaces (PAR 1111) and Proposed Amended Rule 1121 – Reduction of NO_x Emissions from Small Natural Gas-Fired Water Heaters (PAR 1121).

Our company provides corporate real estate consulting to a large cross section of businesses within the State of California. Our goal is to help businesses grow and expand within our incredible State. We are aiding our clients to help them not only identify quality buildings but also introduce them the architects and builders who are committed to reducing their carbon footprint while meeting the operational and economic needs of the business environment, which will create good paying jobs in a responsibly designed building.

Installation of energy efficient lighting controls, compliance with outdoor water conservation requirements, and other energy-reducing measures can be found throughout the inventory of buildings we promote and market.

We are concerned that the proposed rules do not take into account issues facing commercial and industrial real estate property business owners, property owners and tenants. Construction costs, material costs, layers of compliance regulations and operational costs are escalating to the point where we are asked much too frequently, *"What are our out of state alternatives for relocation and expansion?"*

Conversion costs in various areas of the business are compounding the cost to expand in California, let alone relocate to within the state (trucks, forklifts, ambient air issues, etc.).

We would respectfully request that the District revise PAR 1111 and PAR 1121 to provide commercial and industrial property owners with greater flexibility and time to deal with already existing leases set to renew by the end of 2026 or until such time that our local utility providers can confidently inform us that they can accommodate any new electrical hook-up which would be

required due to the installation of a new system in order to avoid any additional delays for occupancy of our properties. The threat of “Black outs,” “Business Disruption” and “Increased Costs” are very concerning and causing much angst within our business communities.

Thank you for taking into consideration our concerns. Please contact me and my associates at DAUM Commercial Real Estate Services directly for any additional questions or concerns.

Sincerely,

Dennis L. Sandoval

Dennis L. Sandoval
Executive Vice President / Principal
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