



March 27, 2024

California Air Resources Board  
1001 I Street #2828  
Sacramento, CA 95814  
*By Email and Online*

**Re: Zero-Emission Space and Water Appliance Standards Workshop**

Dear Staff of the California Air Resources Board:

The undersigned organizations join the Building Energy, Equity and Power (BEEP) Coalition to provide comments on the California Air Resources Board's (CARB) initial regulatory concepts under development and staff analysis work underway to develop zero-emission space and water heater standards.

The BEEP Coalition includes representatives from Self-Help Enterprises; PODER; the Center on Race, Poverty & the Environment; the Central Valley Air Quality Coalition; Leadership Counsel for Justice & Accountability; Local Clean Energy Alliance; Physicians for Social Responsibility-Los Angeles; Central California Asthma Collaborative; and Emerald Cities Collaborative - Northern California. The BEEP Coalition represents environmental justice communities in various parts of the state. We formed for a simple reason: low-income communities and communities of color are being left behind in conversations about building decarbonization.

Since last year, BEEP has engaged with CARB through monthly meetings to provide insights from BEEP's [Preliminary Report](#) and local community experience and to support community engagement for this effort. BEEP attended the most recent workshop held on February 28 and was glad to see a continued commitment to supporting public health, resilience, and significant GHG emissions reduction; efforts to coordinate with other state agencies on building decarbonization; the inclusion of a Building Readiness Analysis to identify priority areas; and a comprehensive Equity Analysis that is inclusive of Affordability *and* Building Readiness.

**Additionally, BEEP would like to restate its stance that while it understands the urgency to address the climate and public health crises very well, this sense of urgency should not lead to adopting regulations that may further perpetuate harm.** The appliance standards must consider and address the significant barriers and risks faced by low-income communities and communities of color in complying with the standards in the near future. These barriers and risks include:

- Lack of adequate electrical grid capacity for households to transition to all-electric appliances, particularly in rural areas;
- Costs of substantial upgrades to accommodate the new appliances;
- Lack of ability or time to obtain an appliance and/or make substantial upgrades in emergency scenarios, particularly for seniors, those with disabilities, and medical baseline residents;
- Risk of higher energy bills without additional upgrades to the home (e.g. weatherization) or additional bill support; and
- Risk of tenant evictions without meaningful tenant protections to prevent landlords from evicting tenants through construction or passing down the costs of adhering to the regulation as rent increases. For example, the [City of Santa Ana's local Ordinance](#) protects renters from large rent increases; however, landlords are still able to [petition](#) to allow capital improvement costs (such as a new electric system and/or air conditioning) to be passed on to tenants and tenants are still vulnerable to a no-fault eviction if the property will be substantially remodeled (See [example in Concord, CA](#)).

We caution that exempting communities who face these barriers and risks from the standard will not be acceptable as that would leave these communities behind in the clean energy transition to pick up the increased costs of staying on the gas system, and the benefits of public health and resilience will not reach these communities. **Thus, we believe it is important that CARB considers the following recommendations for its initial regulatory concepts and staff analysis work:**

1. Include a **robust barrier and risk analysis** considering the barriers and risks named above as a starting point in the Equity Analysis.
2. Prioritize **low-income tenants** in the Equity Analysis and include an analysis of which local jurisdictions in California have tenant protections *and* enforcement mechanisms including any cost recovery programs, tenant laws, and eviction protections for renovation work. It is critical for CARB to understand the potential for appliance standards to negatively impact renters due to rent increases (via capital improvement pass-throughs) or no-fault evictions due to renovation. CARB must work with other state agencies and local housing organizations to ensure that strong tenant protections (and enforcement of those protections) are rolled out with appliance standards to prevent evictions of or rent increases for tenants who live in rental properties.
3. Ensure analysis of how the regulation will **improve the air quality** in overburdened communities is included in the Equity Analysis.
4. Include **forecasted gas and electric rate increases and their potential impacts on low-income households** in the Cost Analysis.
5. Consider including an **analysis of a household unable to access compliance** (or CARB not adopting/implementing a zero-emission appliance standard) and staying on the gas system. Ensure no penalties are associated with non-compliance for households who cannot access the appliances or the necessary upgrades.

6. Identify **significant funding sources** to ensure that electric appliances are more affordable than gas appliances *and* that households can make the necessary upgrades to accommodate electric appliances. Funding programs for low-income households must avoid replicating rebate programs and prioritize direct install programs.
7. Look into potential gas pipeline risks of **reduced throughput** if a significant number of households transition before others in the same area in the Building Readiness Analysis.
8. Clearly **define what compliance looks like** when a household cannot access or afford a new electric appliance or the required upgrades to support the replacements, particularly for low-income households and tenants. Include plans for how these households can address emergency replacement scenarios. For example, a number of households, particularly mobile home residents, in the San Joaquin Valley Accessible Energy Pilot Program were deemed ineligible due to the need for significant upgrades. These households will most likely be unable to comply with the regulation without significant support and resources and should not be penalized for non-compliance.
9. Do not include **hydrogen-fueled** appliances as an eligible technology in this regulation for [several reasons](#), including safety and health risks related to using hydrogen appliances, the potential to expand hydrogen production,<sup>1</sup> the high risk of flammability particularly indoors, dirty hydrogen production in environmental justice communities, the increased risk of leaks from pipelines, delaying the retirement of the gas system by greenwashing fossil gas blended with hydrogen, and the limited energy efficiency of hydrogen compared to electrification.
10. Support the **innovation and accessibility of electric appliances** that are good quality, have a long lifespan, are affordable, and are non-exploitative to produce.
11. Develop a process for **safely recycling and reusing materials** from retired gas appliances to prevent significant material waste (resulting from the regulation) from impacting environmental justice communities within and beyond the state.

The undersigned organizations again appreciate CARB staff's commitment to advancing equity in its appliance standards regulation and their willingness to integrate input from our coalition and other stakeholders. We look forward to continuing working with CARB to ensure the regulation provides benefits and does not perpetuate harm in the communities we represent.

If you have any questions about our position, please do not hesitate to reach out to us. Thank you for your time and consideration of these comments.

Sincerely:

BEEP Coalition

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<sup>1</sup> BEEP recognizes that there are different forms of and uses for hydrogen production. For reasons described and shared with several environmental justice organizations across the state in the [Equity Principles for Hydrogen](#), BEEP is firmly against permitting hydrogen appliances without clear industry regulations eliminating non-green hydrogen production.

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