

RESOLUTION NO. 2025-XXX

A RESOLUTION OF THE CITY OF FULLERTON, CALIFORNIA, OPPOSING SCAQMD RULES 1111 AND 1121 RELATED TO GAS POWERED CENTRAL FURNACES AND AIR EMISSIONS FROM RESIDENTIAL NATURAL GAS-POWERED WATER HEATERS

WHEREAS, the South Coast Air Quality District (SCAQMD) is a regional air pollution control agency representing Los Angeles, Orange, Riverside and San Bernardino counties with responsibility for regulating stationary sources of air pollution.

WHEREAS, the SCAQMD is considering two rules that would have a significant impact on up to 17 million South Coast homeowners, renters and businesses: Rule 1111 would regulate air emissions from gas-powered central furnaces and Rule 1121 would regulate air emissions from residential-type, natural gas-powered water heaters.

WHEREAS, Rules 1111 and 1121 would impose \$20-plus billion in costs to consumers while providing minimal measurable air quality benefits for the four-county SCAQMD service area.

WHEREAS, these two rules would ban the use of natural gas-powered furnaces and water heaters in new construction, taking effect in 2026, further elevating construction costs and housing prices, thereby putting homeownership even further out of reach for many Southern Californians. These rules would phase out existing natural gas furnaces and water heaters in existing single-family homes, multi-family housing and businesses in 2027.

WHEREAS, housing affordability throughout California is and will remain a top public policy priority for the City of Fullerton for the foreseeable future. Local governments are pressured to build more housing – specifically housing that people can afford. Any regulations increasing these costs deserve careful scrutiny to ensure that the increased costs provide an equal or greater amount of benefit to the consumer.

WHEREAS, unlike most SCAQMD rules that regulate large stationary sources of air pollution like oil refineries and warehouses, Rules 1111 and 1121 specifically target individual homeowners, apartment buildings and businesses large and small – meaning hard-working families and business owners will directly bear the costs of these two rules.

WHEREAS, Rules 1111 and 1121 would require apartment owners, homeowners and businesses to invest not only in expensive all-electric furnaces and water heaters but would also necessitate retrofitting homes and businesses with expensive panel upgrades, extensive new plumbing and physical renovations to accommodate compliant units – further raising the cost of new housing and likely pricing many potential homeowners and renters out of an already expensive market.

WHEREAS, the mandate for apartment owners to replace natural gas water heaters and furnaces with all-electric units is incredibly expensive. These significant costs will

be passed down to tenants – leading to rent increases and placing additional financial pressure on renters in a region already struggling with housing affordability.

WHEREAS, the SCAQMD water heater and furnace mandates will impose a significant increase in electricity demand on California's electric grid. Transitioning to all-electric water heaters and furnaces means increased demand on an electric grid that has not proven capable of consistently meeting existing demand. Water heaters and furnaces are essential elements in any house, apartment or business. Millions of new electric water heaters and furnaces would draw power from the grid and raise the risk of power brownouts or outages.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF FULLERTON RESOLVES AS FOLLOWS:

Section 1. Rules 1111 and 1121 will have a profound impact and impose significant costs on millions of Southern California homeowners, renters and businesses who already struggle to make ends meet while providing minimal air quality benefit.

Section 2. The City of Fullerton opposes Proposed Amended Rules 1111 and 1121 and urges the SCAQMD to indefinitely delay or cease consideration of these two anti-consumer regulations immediately.

ADOPTED BY THE FULLERTON CITY COUNCIL ON MARCH 4, 2025.

Fred Jung
Mayor

ATTEST:

Lucinda Williams, MMC
City Clerk

Date