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June 24, 2022

Liane M. Randolph, Chair  
California Air Resources Board  
1001 I Street  
Sacramento, CA 95814

Dear Honorable Chair Randolph

**RE: Draft 2022 Scoping Plan**

Rheem Manufacturing Company (Rheem) appreciates the opportunity to comment on the Draft 2022 Scoping Plan Update (Scoping Plan).

Rheem is an industry leader in total heating, cooling, refrigeration and water heating solutions and one of the few global brands with product offerings covering residential and commercial heating, cooling, conventional and hybrid storage water heaters, tankless water heaters, solar water heating systems, pool and spa heaters, commercial boilers, residential hydronic and geothermal systems, commercial refrigeration products, indoor air quality accessories, and replacement parts for all categories. Rheem is headquartered in Atlanta, Georgia, with U.S. based manufacturing facilities in Oxnard, California as well as in Alabama, Arkansas, Connecticut, and North Carolina.

Rheem supports the Scoping Plan goal to achieve carbon neutrality in 2045 and many of the plan recommendations to transform how Californians produce and use energy resources. The plan is ambitious. Decarbonizing California's economy in less than 25 years, while growing the economy without harming the standard of living for all Californians is a tall task. In the coming months, through workshops, Board and staff meetings, Rheem looks forward to engaging around a series of decarbonization pathways to tackle emissions from the built environment.

As the California Air Resources Board (ARB) develops a Proposed Preferred Scenario (Preferred Scenario), Rheem looks forward to providing input on effective strategies to achieve California's air



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quality and climate goals. Initial consideration by ARB on a Preferred Scenario should consider the following policy strategies:

Prioritize zero emission appliance standards in the new construction residential segment in a timeframe that provides the sales channel (OEMs, Distributors and Contractors), adequate time for product availability and planning, along with consideration of economic feasibility for California consumers.

Provide additional compliance pathways that include consumer options such as high-efficiency condensing water and space heaters and hybrid heating systems, for retrofit in the existing residential and commercial building stock;

Program design flexibility recognizing continued gas use in limited and legacy applications and industrial markets and segments;

Use future zero emission appliance standards to harmonize emission regulations from the nine separate air districts regulating NOx emissions from space and water heating;

Condition implementation of zero emission appliance standards to installation benchmarks from incentive programs targeted to heat pump technologies and labor force training;

Design options and requirements for multi-family building owners to ensure renters are able to benefit from the Scoping Plan proposals.

Updates to Building Codes permitting installation of low-Global Warming Potential refrigerants in space and water heating and air conditioning applications;

A robust, multi-year consumer incentive funding plan to accelerate adoption of zero emission appliances, including upgrades to residential and commercial electric infrastructure facilitating emission reductions in existing buildings.

Rheem appreciates the opportunity to comment on the 2022 Scoping Plan and how a clean air and climate strategy that includes reduced emissions from space and water heating in residential and commercial buildings can achieve California's energy and environmental goals.



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Thank you for your consideration.

A handwritten signature in black ink that reads "Karen B. Meyers".

Karen Meyers  
Vice President, Government Affairs  
Rheem Manufacturing Company



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