CEQA Scoping Meeting on Draft Amendments for Building Appliance Rules 9-4 and 9-6

Virtual Meeting
June 9, 2022
Note: The Air District will be recording this public workshop

How to Use zoom Video Conferencing

Black menu bar at top or bottom of screen:

Audio
Please mute yourself when not speaking

Video

Participants
• See others
• Rename yourself (Name and Group/Agency Affiliation if applicable)
• Raise hand (remember to lower)

Chat Feature
To provide questions and or comments when chat is enabled

Reaction
Raise hand, give thumbs up or applaud
If you need technical assistance, please call or text 415-604-1405 OR chat Support
Virtual Participation Principles

- **One** person speaks at a time.
- Be **respectful** of one another’s opinions.
- Please **mute** yourself when you’re not speaking.
- **Share video if you like** so we can stay visually connected.
- Technology happens – please be **flexible and patient**.
- Remember this is just one meeting in a longer **process**.
Let’s get to know you

What perspective best represents you tonight?

Materials:  https://tinyurl.com/rules9496

Comments By:  June 21, 2022
Workshop Agenda

1. Opening Remarks
2. Presentations & Participant Engagement
3. Comments and Questions
4. Closing and Next Steps
Welcome and Opening Remarks

Victor Douglas
Manager, Rule Development
Bay Area Air Quality Management District
# Presentation Topics

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Background: Rules for Amendment

• To address Oxides of Nitrogen (NOx) emissions associated with buildings, amend:
  • Regulation 9, Rule 4 (Rule 9-4): Nitrogen Oxides from Fan Type Residential Central Furnaces
  • Regulation 9, Rule 6 (Rule 9-6): Nitrogen Oxides from Natural Gas-Fired Boilers and Water Heaters

• Separate, future effort for Regulation 9, Rule 7 (Rule 9-7): NOx from Boilers, Steam Generators, and Process Heaters
  • Different emissions sources
  • Different stakeholders
Background: Emissions

District NOx Emissions (tons)

- Passenger Vehicles: 3,464 tons
- Residential Natural Gas Combustion: 3,978 tons

District GHG Emissions (MMT CO2e)

- Passenger Vehicles: 10.6 MMT CO2e
- Residential Natural Gas Combustion: 5.1 MMT CO2e
Background: Emissions

District Residential Natural Gas Combustion NOx Emissions
- 28% Space Heating
- 61% Water Heating
- 6% Cooking
- 5% Other

District Residential Natural Gas Combustion GHG Emissions
- 39% Space Heating
- 4% Water Heating
- 57% Cooking
Overview of Current Rules

Regulation 9, Rule 4: Natural Gas Fired Furnaces (Rule 9-4)
- Residential central fan type furnaces
- NOx emissions standard of 40 ng/J

Regulation 9, Rule 6: Natural Gas Fired Boilers and Water Heaters (Rule 9-6)
- Natural gas-fired boilers and water heaters under 2 million BTU/hr
- NOx emissions standard from 10-14 ng/J dependent on size and usage
- Higher emissions standard for mobile homes (40 ng/J)
- Both rules structured by point of sale – equipment cannot be installed that is manufactured after the compliance date

Building Appliance Rules Scoping Meeting
June 9, 2022
Timeline

**November 2020**
Initial discussion with BAAQMD Board Committee

**Summer 2021**
Stakeholder Working Group Meetings

**October 2021**
Draft Rule Amendments Workshop and Comment Period

**April 2022**
Update to Board Committee

**May 2022**
Release of NOP, Initial Study, Revised Draft Amendments

**June 21, 2022**
Notice of Prep. Comment Period Closes

**Q3 2022**
Potential release of final rule proposal and EIR

**Q4 2022**
Planned Board Hearing
Rule 9-4 Updates

DESCRIPTION

1. Remove specification of fan type residential central furnaces and note rule applicability to all natural gas-fired furnaces used in commercial and residential buildings
   Section 2-1-201

DEFINITIONS

2. Addition of definitions for BTU, Heat Input, Natural Gas, Nitrogen Oxides, Natural Gas-Fired Furnace, Natural Gas-Fired Fan Type Central Furnace
   Section 2-1-202 - 208
Rule 9-4 Updates

STANDARDS

3. Reframe 40 ng/J standard for residential fan type central furnaces
   Section 9-4-301.1

4. Introduce 14 ng/J standard for residential fan type central furnaces applicable on July 1, 2023
   Section 9-4-301.2

5. Introduce zero NOx standard for all residential and commercial natural gas fired furnaces applicable on January 1, 2029. This includes non-central furnaces but does not apply to mobile homes
   Section 9-4-301.3
Rule 9-4 Updates

ADMINISTRATIVE REQUIREMENTS

6. Clarifications to certification requirements and calculation methods; Inclusion of Manual of Procedures and EPA test methods
   Sections 9-4-401 and 9-4-600

7. Addition of acceptance of South Coast Rule 1111 certification for units under 9-4-301.2 as a valid compliance statement
   Section 9-4-402

8. Introduction of Interim Report for District Staff to report on accessibility factors two years prior to implementation of zero NOx standard to ensure equitable outcomes
   Section 9-4-405
Rule 9-6 Updates

STANDARDS

1. Introduction of zero NOx standard for boilers with a heat input capacity less than 75,000 BTU/hr, applicable on January 1, 2027
   Section 9-6-301.5

2. Introduction of zero NOx standard for boilers with a heat input capacity of between 75,000 BTU/hr and 2 million BTU/hr, applicable on January 1, 2031
   Section 9-6-303.5
### CERTIFICATION

Clarification of certification section including distinguishing geographical boundaries of the District vs. Air Pollution Control Officers actions and use of South Coast determinations for demonstration of compliance

- **Section 9-6-402**

### ADMINISTRATIVE REQUIREMENTS

Introduction of Interim Report for District Staff to report on accessibility factors two years prior to implementation of zero NOx standard to ensure equitable outcomes

- **Section 9-6-404**
• Introduction of requirement for both rules for interim report to come back to the Board of Directors no later than two years prior to the compliance date
  • Technology options currently (and projected to be) available
  • Market availability of such technology
  • Projected costs of purchase and installation
  • Incentive programs available to reduce costs

• Process will include stakeholder implementation working group with intended first meeting in early 2023
Clarifying Questions

Regarding specifics of rule updates and applicability

Materials:  https://tinyurl.com/rules9496

Comments By:  June 21, 2022
CEQA Process

Notice of Preparation and Initial Study
- Inform public of intended contents of EIR
- Allow for comments to be considered in EIR development

Draft Environmental Impact Report
- Additional opportunity for public review and comment

Final Environmental Impact Report
- To be adopted by Board of Directors with rule amendments
CEQA Impact Areas

- Aesthetics
- Energy
- Land Use/Planning
- Public Services
- Wildfire

- Agricultural and Forest Resources
- Geology/Soils
- Mineral Resources
- Recreation

- Biological Resources
- Hazards/Hazardous Materials
- Noise
- Transportation

- Cultural Resources
- Hydrology/Water Quality
- Population/Housing
- Tribal Cultural Resources

- Air Quality
- Greenhouse Gas Emissions
- Utilities/Service Systems
Potentially Significant Impact:
• Conflict with or obstruct implementation of the applicable air quality plan
• Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard
• Expose sensitive receptors to substantial pollutant concentrations

EIR Considerations:
• Conducting additional modeling for potential fuel-switching emissions impacts
• Emissions reductions are also expected, EIR will fully examine all data
Greenhouse Gas Emissions

Potentially Significant Impact:

• Generate greenhouse emissions, directly or indirectly, that may have a significant impact on the environment

• Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases

EIR Considerations:

• Currently conducting additional modeling for potential fuel-switching emissions impacts

• Emissions reductions are also expected, EIR will fully examine all data
Potentially Significant Impact:

- Require or result in the relocation or construction of new or expanded water, wastewater treatment or stormwater drainage, electric power, natural gas, or telecommunication facilities, the construction or relocation of which could cause significant environmental effects.

EIR Considerations:

- Zero NOx appliances may require increased amounts of electricity to operate.
  - Need for additional electricity production and/or additional electrical grid capacity if Project demands exceed existing and planned supply will be evaluated in the EIR.
Next Steps

Comments due by **June 21, 2022**
Draft Environmental Impact Report to be prepared and released for public comment in Fall 2022
DEIR release to be accompanied by additional emissions, cost and other data
Amendments intended to be brought for board adoption in Q4 2022
Help us improve our workshops and rule development process by completing this short survey in the link below.

https://tinyurl.com/ruleseval
Please mute yourself when you’re not speaking

Please raise your hand if you wish to speak and wait for the facilitator to let you know when you can unmute yourself & speak

The Zoom Chat is also available for comments & questions

Materials:  https://tinyurl.com/rules9496

Comments By:  June 21, 2022
PUBLIC COMMENT

-Do you have questions or clarifications on the CEQA Process?

-Additional considerations for impacts to be included in Environmental Impact Report?

Materials:  https://tinyurl.com/rules9496

Comments By:  June 21, 2022
Materials available at:  

Written Comments
Deadline: June 21, 2022

→ Comments received will be posted to website
→ Contact staff to discuss or for follow-up questions

Submit Comments To:
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Rule Development
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THANK YOU FOR YOUR ENGAGEMENT