



South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178
(909) 396-2000 • www.aqmd.gov

September 4, 2020

Governor's Office of Planning and Research
State Clearinghouse
Attn: Scott Morgan
1400 Tenth Street, Suite 222
Sacramento, CA 95814-5502

Re: Electronic Filing and Posting of Notice of Exemption for Proposed Amended Rule 1111 –
Reduction of NOx Emissions from Natural Gas Fired, Fan-Type Central Furnaces, and Revisions
to the Clean Air Furnace Rebate Program

Dear Mr. Morgan:

The South Coast Air Quality Management District (South Coast AQMD) Governing Board at its September 4, 2020 Hearing determined that Proposed Amended Rule 1111 – Reduction of NOx Emissions from Natural Gas Fired, Fan-Type Central Furnaces, and Revisions to the Clean Air Furnace Rebate Program is exempt from the California Environmental Quality Act (CEQA) and approved the project. The attached Notice of Exemption was prepared for the project pursuant to CEQA Guidelines Section 15062 – Notice of Exemption. I am electronically filing the Notice of Exemption with your office for posting on the CEQAnet Web Portal at <https://ceqanet.opr.ca.gov/search/recent>. I have also filed the Notice of Exemption with the county clerk of each county in which the project will be located (e.g., Los Angeles, Orange, Riverside and San Bernardino counties) pursuant to CEQA Guidelines Section 15062(c)(2). Finally, this Notice of Exemption has also been electronically posted on the South Coast AQMD's webpage which can be accessed via the following weblink: <http://www.aqmd.gov/nav/about/public-notice/ceqa-notice/notices-of-exemption/noe---year-2020>.

If you have any questions regarding this electronic filing and request for posting, please call me at (909) 396-2716. Thank you for your kind attention regarding this matter.

Sincerely,

Barbara Radlein
Program Supervisor, CEQA Section
Planning, Rule Development and Area Sources

Attachment

**NOTICE OF EXEMPTION FROM THE
CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)**

To: Governor's Office of Planning and Research -
State Clearinghouse
1400 Tenth St, Suite 222
Sacramento, CA 95814-5502

From: South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765

Project Title: Proposed Amended Rule 1111 – Reduction of NOx Emissions from Natural Gas Fired, Fan-Type Central Furnaces, and Revisions to the Clean Air Furnace Rebate Program

Project Location: The project is located within the South Coast Air Quality Management District (South Coast AQMD) jurisdiction which includes the four-county South Coast Air Basin (all of Orange County and the non-desert portions of Los Angeles, Riverside and San Bernardino counties), and the Riverside County portions of the Salton Sea Air Basin (SSAB) and Mojave Desert Air Basin (MDAB).

Description of Nature, Purpose, and Beneficiaries of Project: The proposed project is comprised of Proposed Amended Rule 1111 – Reduction of NOx Emissions from Natural Gas Fired, Fan-Type Central Furnaces, and revisions to the Clean Air Furnace Rebate Program. The proposed amendments to Rule 1111 will: 1) extend the existing mitigation fee alternate compliance option for weatherized units for one year until September 30, 2021; 2) extend the exemption of condensing and non-condensing furnaces for high altitude installations for one year until September 30, 2021; 3) allow installations of dual fuel systems with noncompliant furnaces which emit 40 nanograms per Joule (ng/J) of nitrogen oxides (NOx), with conditions, at elevations of 4,200 feet above sea level or higher until September 30, 2022; and 4) require manufacturers, distributors, and installers of dual fuel systems with noncompliant 40 ng/J NOx furnaces to maintain records of sales and installations. In addition, proposed revisions to the Clean Air Furnace Rebate Program are designed to fund rebates to incentivize installation of the following 14 ng/J NOx compliant equipment: dual fuel condensing or non-condensing furnaces, weatherized furnaces, furnaces installed above 4,200 feet, and all electric heat pump systems.

Public Agency Approving Project:
South Coast Air Quality Management District

Agency Carrying Out Project:
South Coast Air Quality Management District

Exempt Status: CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption

Reasons why project is exempt: Pursuant to the California Environmental Quality Act (CEQA), South Coast AQMD, as Lead Agency, has reviewed the proposed project pursuant to: 1) CEQA Guidelines Section 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and 2) CEQA Guidelines Section 15061 – Review for Exemption, procedures for determining if a project is exempt from CEQA. Since the proposed project would result in minimal and temporary forgone NOx emission reductions, it can be seen with certainty there that there is no possibility that the proposed project may have a significant adverse effect on the environment. Therefore, the project is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption.

Date of Project Approval: South Coast AQMD Governing Board Hearing: September 4, 2020

CEQA Contact Person:	Phone Number:	Email:	Fax:
Ms. Kendra Reif	(909) 396-2492	kreif@aqmd.gov	(909) 396-3982

Rule Contact Person:	Phone Number:	Email:	Fax:
Mr. Shawn Wang	(909) 396-3319	swang@aqmd.gov	(909) 396-3324

Date Received for Filing: _____

Signature: _____



Barbara Radlein
Program Supervisor, CEQA
Planning, Rule Development and Area Sources