



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

California Environmental Quality Act

NOTICE OF DETERMINATION

TO: Office of Planning and Research
1400 Tenth Street
Sacramento, CA 95814

FROM: Bay Area Air Quality
Management District
375 Beale St., Suite 600
San Francisco, CA 94105

LEAD AGENCY: Bay Area Air Quality Management District

Project Applicant: Bay Area Air Quality Management District

Project Applicant Contact: Victor Douglas **Phone:** 415-749-4752

SUBJECT: FILING OF NOTICE OF DETERMINATION PURSUANT TO SECTION 21152 OF THE PUBLIC RESOURCES CODE AND CEQA GUIDELINES SECTION 15094

Project Title: Amendments to Rule 9-4 and Rule 9-6

SCH Number: 2022050430

Project Location: The proposed amendments to Rules 9-4 and 9-6 would apply within the Bay Area AQMD, which includes all of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, and Santa Clara counties, and the southern portions of Solano and Sonoma counties.

Project Description: Amendments to Rules 9-4 and 9-6 which govern appliance point of sale emissions standards.

Rule 9-4 applies to the natural gas-fired space-heating furnaces commonly found in single-family homes, and Rule 9-6 applies to natural gas-fired water heaters commonly found in residential and commercial applications. Space and water-heating appliances generate a large portion of nitrogen oxide (NOX) emissions from sources in the Bay Area. NOx is formed during natural gas combustion when ambient nitrogen and oxygen combine at high temperatures. The amendments substantially reduce NOX emissions from these appliances. The amendments include a zero NOx standard for both space and water heating appliances that applies when new appliances are sold and installed beginning in 2027. The amendments also include the introduction of an ultra-low NOx standard to Rule 9-4 for furnaces starting in 2024, as well as additional updates to definitions, testing and certification requirements and other clarifications.

Project Approval: On Wednesday, March 15, 2023, the Board of Directors of the Bay Area Air Quality Management District approved the project described above.

Environmental Impact Report (EIR): An EIR was prepared and certified for this project pursuant to the provisions of CEQA.

Significant Impacts: The Draft EIR for the proposed amendments to Rules 9-4 and 9-6 concluded that impacts associated with Utilities and Service Systems would be potentially significant and unavoidable under the assumption that the replacement of existing natural gas-fired space and water heating appliances over time could result in increased energy demand beyond the existing grid capacity if these existing appliances are replaced with electric appliances. The Draft EIR also concluded that impacts associated with Noise would be potentially significant and unavoidable due to the potential operational noise impacts associated with certain zero NOx equipment.

Mitigation Measures: As described in the EIR, the Air District has no jurisdiction or authority to monitor or enforce potential mitigation measures associated with the potentially significant impacts to Noise and Utility and Service Systems. Therefore, the Air District cannot identify feasible mitigation to reduce the Project's contribution to these impacts and the impacts remain potentially significant and unavoidable.

Findings were made pursuant to CEQA Guidelines Section 15091.

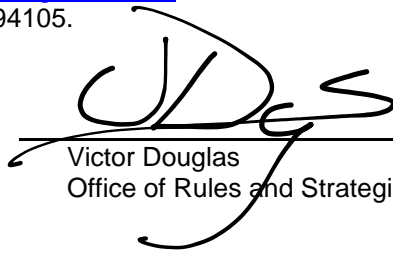
A Statement of Overriding Considerations was adopted for this project.



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A copy of the final EIR and record of project approval is available to be examined on the Air District's website at www.baaqmd.gov/ruledev and at the Air District office at 375 Beale Street, Suite 600, San Francisco, CA 94105.

Date Received for Filing



Victor Douglas
Office of Rules and Strategic Policy

March 15, 2023
Date