

Notice of Preparation

To: California Office of Planning and Research, Responsible Agencies, Trustee Agencies, and Other Interested Parties

Subject: Notice of Preparation of a Draft Substitute Environmental Document

Project Title: Zero Greenhouse Gas Emission Space and Water Heater Standards

Lead Agency: California Air Resources Board

Date: May 14, 2024

Review Period: May 14, 2024 - June 13, 2024

As the Lead Agency, the California Air Resources Board (CARB) will prepare a substitute environmental document (referred to as an "Environmental Analysis" or "EA") as part of the Staff Report prepared for the proposed project identified above. CARB would like to know the views of your agency as to the scope and content of the environmental information that is relevant to your agency's statutory responsibilities in connection with the proposed project. If the proposed project has no relevance to you or your organization, no action on your part is necessary.

Information on the project description, location, and potential environmental effects, as currently known, is contained in the attached materials, including the notice for a public workshop to be held virtually on May 29, 2024. In addition to soliciting input on the proposed project, this workshop will also serve as a CEQA scoping meeting to solicit input on the scope and content of the EA to be prepared for the proposed project. Additional information on this proposed project is available for review on the Program webpage at the following link:

<https://ww2.arb.ca.gov/our-work/programs/zero-emission-space-and-water-heater-standards>.

The Notice of Preparation (NOP) is available for review and comment for 30 days, per CEQA Guidelines (14 CCR 15082(b)). The comment period for this NOP begins on May 14, 2024, and ends on June 13, 2024. Due to the limits mandated by State law, responses should be sent at the earliest possible date, but no later than 5:00 PM on June 13, 2024.

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Please submit your written comments to CaliforniaEnvironmentalQualityAct@arb.ca.gov or via mail to Rebecca Fancher, Air Resources Board Legal Office/CEQA Unit, P.O. Box 2815 Sacramento, CA 95812-2815. In your response, please indicate the public agency or other entity you represent, and the name and phone number of a contact person.

Date: **May 14, 2024**

Signature: *Rebecca Fancher*

Rebecca Fancher
Staff Air Pollution Specialist
California Air Resources Board
Legal Office/ CEQA Unit
P.O. Box 2815
Sacramento, CA 95812-2815

CaliforniaEnvironmentalQualityAct@arb.ca.gov

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List of Agencies to Review

Distributed to agencies marked with an "X" below:

STATE AGENCIES	
<ul style="list-style-type: none"> <input type="checkbox"/> Boating & Waterways, Department of <input type="checkbox"/> California Highway Patrol <input type="checkbox"/> CalRecycle <input type="checkbox"/> Caltrans <input type="checkbox"/> Caltrans Planning <input type="checkbox"/> Coastal Commission <input checked="" type="checkbox"/> Conservation, Department of -- Oil, Gas & Geothermal Resources <input type="checkbox"/> Delta Protection Commission <input checked="" type="checkbox"/> Energy Commission <input type="checkbox"/> Fish & Wildlife, Department of <input type="checkbox"/> Food & Agriculture, Department of <input type="checkbox"/> Forestry and Fire Protection, Department of <input checked="" type="checkbox"/> Health Services, Department of <input checked="" type="checkbox"/> Housing & Community Development <input checked="" type="checkbox"/> Integrated Waste Management Board <input type="checkbox"/> Native American Heritage Commission <input checked="" type="checkbox"/> California Environmental Protection Agency <input checked="" type="checkbox"/> Department of General Services <input checked="" type="checkbox"/> Strategic Growth Council <input type="checkbox"/> California High Speed Rail Authority <input type="checkbox"/> Department of Conservation - Division of Land Resource Protection 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> OEHHA <input type="checkbox"/> Office of Historic Preservation <input type="checkbox"/> Office of Emergency Services <input type="checkbox"/> Parks & Recreation, Department of <input type="checkbox"/> Pesticide Regulation, Department of <input checked="" type="checkbox"/> Public Utilities Commission <input type="checkbox"/> Regional Water Quality Control Board #____ <input type="checkbox"/> Natural Resources Agency <input type="checkbox"/> SF Bay Conservation & Development Commission <input type="checkbox"/> State Lands Commission <input type="checkbox"/> State Water Resources Control Board <input type="checkbox"/> Tahoe Regional Planning Agency <input checked="" type="checkbox"/> Toxic Substances Control, Department of <input checked="" type="checkbox"/> University of California <input type="checkbox"/> Water Resources, Department of <input checked="" type="checkbox"/> Building Standards Commission <input checked="" type="checkbox"/> Department of Public Health <input type="checkbox"/> Tahoe Nature Conservancy <input type="checkbox"/> Sierra Nevada Nature Conservancy <input type="checkbox"/> Delta Conservancy <input checked="" type="checkbox"/> Other: Office of Planning and Research <input checked="" type="checkbox"/> Other: California State University
AIR DISTRICTS	
<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Amador County APCD <input checked="" type="checkbox"/> Antelope Valley AQMD <input checked="" type="checkbox"/> Bay Area AQMD <input checked="" type="checkbox"/> Butte County AQMD <input checked="" type="checkbox"/> Calaveras County APCD <input checked="" type="checkbox"/> Colusa County APCD <input checked="" type="checkbox"/> County of El Dorado AQMD 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Monterey Bay Unified APCD <input checked="" type="checkbox"/> North Coast Unified AQMD <input checked="" type="checkbox"/> Northern Sierra AQMD <input checked="" type="checkbox"/> Northern Sonoma County APCD <input checked="" type="checkbox"/> Placer County APCD <input checked="" type="checkbox"/> Sacramento Metropolitan AQMD <input checked="" type="checkbox"/> San Diego County APCD

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<ul style="list-style-type: none"><input checked="" type="checkbox"/> Eastern Kern APCD<input checked="" type="checkbox"/> Feather River AQMD<input checked="" type="checkbox"/> Glenn County APCD<input checked="" type="checkbox"/> Great Basin Unified APCD<input checked="" type="checkbox"/> Imperial County APCD<input checked="" type="checkbox"/> Lake County AQMD<input checked="" type="checkbox"/> Lassen County APCD<input checked="" type="checkbox"/> Mariposa County APCD<input checked="" type="checkbox"/> Mendocino County AQMD<input checked="" type="checkbox"/> Modoc County APCD<input checked="" type="checkbox"/> Mojave Desert AQMD	<ul style="list-style-type: none"><input checked="" type="checkbox"/> San Joaquin Valley APCD<input checked="" type="checkbox"/> San Luis Obispo County APCD<input checked="" type="checkbox"/> Santa Barbara County APCD<input checked="" type="checkbox"/> Shasta County AQMD<input checked="" type="checkbox"/> Siskiyou County APCD<input checked="" type="checkbox"/> South Coast AQMD<input checked="" type="checkbox"/> Tehama County APCD<input checked="" type="checkbox"/> Tuolumne County APCD<input checked="" type="checkbox"/> Ventura County APCD<input checked="" type="checkbox"/> Yolo-Solano AQMD
OTHER INTERESTED PARTIES	
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PROJECT DESCRIPTION AND ENVIRONMENTAL EFFECTS

A copy of an Initial Study is not attached because CARB complies with the California Environmental Quality Act (CEQA) through its regulatory program certified by the California Secretary for Natural Resources under Public Resources Code section 21080.5 (14 CCR 15251(d)). Public agencies with certified regulatory programs are exempt from certain CEQA requirements, including but not limited to, preparing environmental impact reports, negative declarations, and initial studies (14 CCR 15250).

The Environmental Impact Analysis (EIA) will evaluate the potential for impacts to the environment as a result of the proposed project: Zero Greenhouse Gas Emission Space and Water Heater Standards. The project and the nature of potential impacts that could result from the project are described below.

- **PROJECT TITLE:**
Zero Greenhouse Gas Emission Space and Water Heater Standards
- **PROJECT LOCATION:**
The project has statewide applicability.
- **PROJECT DESCRIPTION:**
The proposed project would establish that sales of new space and water heaters, subject to size and compliance dates below, be zero-emission.
 - Furnaces with a heating capacity:
 - Less than or equal to 2,000,000 btu/hr would need to comply in 2029.
 - Boilers and water heaters with a heading capacity:
 - Less than 75,000 btu/hr would need to comply in 2027.
 - Less than or equal to 400,000 btu/hr would need to comply in 2029.
 - Less than or equal to 2MM btu/hr would need to comply in 2031.
 - Instantaneous water heaters with a heating capacity:
 - Less than or equal to 200,000 btu/hr would need to comply in 2029.
 - Less than or equal to 2,000,000 btu/hr would need to comply in 2031.
 - Pool heaters with a heating capacity:
 - Less than or equal to 400,000 btu/hr would need to comply in 2031.
 - High temperature (>180°F) boilers and water heaters with a heating capacity:
 - Less than or equal to 2,000,000 btu/hr would need to comply in 2033.

Technologies not included on this list would not be subject to the rule. Space and water heaters that are currently in use and are not zero-emission could continue to be used statewide until their end of life. However, if subject to the proposed project, replacement units would need to be zero-emission, which may require building retrofits.

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Zero-emission standards for new space and water heaters align with the 2022 Scoping Plan for Achieving Carbon Neutrality as the proposed standards would reduce building-related greenhouse gas emissions. These standards would also assist California with meeting State and federal air quality standards and achieving public health benefits, because they would also provide important smog-forming NO_x emission reductions.

- **PROBABLE ENVIRONMENTAL EFFECTS:**

The EIA will evaluate the potential for impacts on the environmental resource areas found in Appendix G of the CEQA Guidelines. Potential adverse impacts would be associated with the reasonably foreseeable compliance responses related to the regulation, which may include but are not limited to the increased use of new zero-emission space and water heaters, including installation and retrofitting as applicable; the increased manufacturing of zero-emission space and water heater technologies and their component parts, including refrigerants for heat pumps; changes to electricity and hydrogen demand; and the recycling or disposal of zero-emission space and water heaters and their component materials.

The reasonably foreseeable compliance responses associated with the Zero Greenhouse Gas Emission Space and Water Heater Standards could potentially adversely or beneficially affect the following resource areas, which will be further evaluated in the EIA:

- Aesthetics
- Agricultural and Forest Resources
- Air Quality and Odors
- Biological Resources
- Cultural Resources
- Geology, Seismicity, and Soils
- Greenhouse Gases
- Hazards and Hazardous Materials
- Hydrology and Water Quality
- Land Use and Planning
- Noise
- Transportation and Traffic
- Utilities and Service Systems

Potential cumulative impacts and potential for growth inducement will be evaluated in the EIA and alternatives, including the No Project Alternative.

GovDelivery Lists: Subscribers of Building Decarbonization, Climate Change, Community Air, Environmental Justice Stakeholders Group, Equity Outreach, Local Actions for Climate Change, Research Activities, SB 375 Implementation, State Implementation Plan, Tribal Relations, or Workshops Sponsored by CARB

Subject: Public Workshop: Zero-Emission Space and Water Heaters

Public Workshop: Zero-Emission Space and Water Heater Standards

Our next public workshop is scheduled for May 29, 2024. Please join us to provide input on CARB's development of zero-emission space and water heater standards.

The California Air Resources Board (CARB or Board) staff invite you to participate in a virtual public workshop to provide input on the development of zero greenhouse gas emission standards for space and water heaters. These standards seek to reduce greenhouse gas (GHG) and smog-forming nitrogen oxide (NO_x) emissions from new space and water heaters sold in the state to help meet California's climate goals and federal air quality standards. At this workshop, staff will solicit input on an updated draft regulatory proposal. Staff will request feedback on zero-emission technology types, costs, and adoption rates to include in the modeling work to estimate emission reduction and cost impacts for the regulatory proposal. Staff will also solicit input on suggestions for alternative regulatory concepts for inclusion in the Standardized Regulatory Impact Assessment that will be prepared for this regulatory action. In addition, this workshop will also serve as a California Environmental Quality Act (CEQA) scoping meeting to solicit input on the scope and content of the Environmental Impact Analysis (EIA) to be prepared for the proposed project.

This workshop is one in a series of workshops and focused meetings with interested parties that CARB will be hosting to inform the rulemaking process for zero-emission space and water heater standards.

Staff's presentation and an agenda will be posted prior to the workshop on CARB's [Zero-Emission Space and Water Heaters Standards website](#), where more information on the potential regulation can also be found.

This virtual public workshop will be held on the following date and time:

Date: May 29, 2024

Time: 9:00 a.m. - 12:00 p.m.

Location: Virtual via Zoom - Please register through the link below

[**Register**](#)

Please register as an attendee prior to the start of the workshop using the link provided. After registering, you will receive a confirmation email with information about how to join the webinar by computer or by telephone.

The virtual meeting will be in English with Spanish interpretation. The meeting will be recorded and posted on the [Zero-Emission Space and Water Heaters Standards website](#).

Staff request public comments following the workshop be submitted using the comment submittal form by **June 26, 2024**. Comments submitted can be viewed on the workshop [comments log webpage](#).

Background

Zero-emission space and water heater standards are part of California's climate and air quality strategies as laid out in the [2022 Scoping Plan](#) adopted in December 2022 and the [2022 State Strategy for the State Implementation Plan](#) adopted in September 2022. Nonresidential and residential buildings are responsible for approximately 10 percent of GHG emissions and 5 percent of statewide [NOx](#) emissions in California. Zero-emission space and water heaters sold in California in compliance with the regulation would reduce building-related GHG and NOx emissions to help the State meet its climate goal of achieving carbon neutrality by 2045 or earlier and assist California with meeting State and federal air quality standards and improving public health.

CARB staff anticipate taking a proposed regulation to the Board for consideration in 2025.

Environmental Analysis

At the workshop staff will provide an overview of CARB's process for preparing the Environmental Impact Analysis (EIA) and its content required under the California Environmental Quality Act. Staff welcome public input at the workshop on the appropriate scope and content of the EIA at the beginning of our process, including the reasonably foreseeable methods of compliance with the proposal, the potential significant adverse impacts associated with the methods of compliance, potential feasible mitigation measures, and feasible alternatives to the proposal that could reduce or eliminate any significant adverse impacts. A draft of the EIA will be released for public review and comment in 2025.

For More Information

If you have any questions regarding the workshop, please contact buildingdecarb@arb.ca.gov. To stay informed regarding zero-emission space and water heater standards, please sign up for updates via CARB's "Building Decarbonization" [listserve](#).

[Join Listserv](#)

Special Accommodation Request

Consistent with California Government Code Section 7296.2, special accommodation or language needs may be provided for any of the following:

- An interpreter to be available at the meeting;
- Documents made available in an alternate format or another language;
- A disability-related reasonable accommodation.

To request these special accommodations or language needs, please contact buildingdecarb@arb.ca.gov or (279) 208-7378 as soon as possible, but no later than five business days before the scheduled meeting. TTY/TDD/Speech to Speech users may dial 711 for the California Relay Service.

SPANISH

Subject: Taller Público: Calefactores y Calentadores de Agua de Cero Emisiones

Taller público: Normas para calefactores y calentadores de agua de cero emisiones

Nuestro próximo taller público está programado para el 29 de mayo de 2024. Únase al taller público para brindar su opinión sobre el desarrollo de los estándares de calefactores y calentadores de agua de cero emisiones por parte de CARB.

El personal de la Junta de Recursos del Aire de California (CARB o Junta) les invita a participar en un taller público virtual para proporcionar su opinión sobre el desarrollo de estándares de cero emisiones de gases de efecto invernadero para calefactores y calentadores de agua. Estas normas buscarán reducir las emisiones de gases de efecto invernadero (GEI) y óxidos de nitrógeno (NOx) que forman smog de los nuevos calefactores y calentadores de agua vendidos en el estado para ayudar a cumplir los objetivos climáticos de California y los estándares federales de calidad del aire. En este taller, el personal consultará con el público sobre la propuesta regulatoria actualizada. El personal también solicitará información sobre tipos de tecnologías de cero emisiones, costos y tasas de adopción para incluir en el análisis de modelado para estimar la reducción de emisiones e impactos en costos para la

propuesta regulatoria. También se solicitarán aportes sobre sugerencias de conceptos regulatorios alternativos para su inclusión en la Evaluación de Impacto Regulatorio Estandarizada que se preparará para esta acción regulatoria. Además, este taller servirá como una reunión de alcance de la Ley de Calidad Ambiental de California (CEQA) para solicitar aportes sobre el alcance y contenido del Análisis de Impacto Ambiental (EIA) que se preparará para el proyecto propuesto.

Este taller es uno en una serie de talleres y reuniones enfocadas con los interesados que CARB organizará para informar el proceso de elaboración de normas para los estándares de calefactores y calentadores de agua de cero emisiones.

La presentación del personal y una agenda se publicarán antes del taller [en el sitio web de Estándares de Electrodomésticos de Cero Emisiones](#) de CARB, donde también se puede encontrar más información sobre la posible regulación.

Este taller público virtual se llevará a cabo en la siguiente fecha y hora:

Fecha: 29 de mayo de 2024

Horario: 9:00 a.m. - 12:00 p.m.

Lugar: Virtual a través de Zoom - Regístrese a través del siguiente enlace

Registro

Regístrese como asistente antes del inicio del taller utilizando el enlace proporcionado. Después de registrarse, recibirá un correo electrónico de confirmación con información sobre cómo unirse al seminario web por computadora o por teléfono.

La reunión virtual será en inglés con interpretación al español. La reunión se grabará y publicará en [el sitio web de Estándares de Calefactores y Calentadores de Agua de Cero Emisiones](#).

El personal solicita que los comentarios públicos después del taller se envíen mediante el formulario de envío de comentarios antes del 26 de junio de 2024. Los comentarios enviados se pueden ver en [la página web de registro de comentarios del taller](#).

Historial

Los estándares de calefactores y calentadores de agua de cero emisiones son parte de las estrategias de clima y calidad del aire de California según lo establecido en el [Plan de Alcance de 2022](#) adoptado en diciembre de 2022 y la [Estrategia Estatal de 2022 para el Plan de Implementación Estatal](#) adoptada en septiembre de 2022. Los edificios residenciales y no residenciales son responsables de aproximadamente 10

por ciento de las emisiones de GEI y el 5 por ciento de las emisiones de [NOx](#) a nivel estatal en California. Los calefactores y calentadores de agua de cero emisiones vendidos en California que cumplan con la regulación reducirían las emisiones de GEI y NOx relacionadas con los edificios para ayudar al estado a cumplir su objetivo climático de lograr la neutralidad de carbono para 2045 o antes y ayudar a California a cumplir con los estándares estatales y federales de calidad del aire y mejorar salud pública.

El personal de CARB anticipa llevar una propuesta de normas a la Junta para su consideración en 2025.

Análisis Ambiental

En el taller, el personal proporcionará una visión general del proceso de CARB para la preparación del Análisis de Impacto Ambiental (EIA) y su contenido requerido por la Ley de Calidad Ambiental de California. El personal da la bienvenida a las aportaciones del público en el taller sobre el alcance y contenido apropiados del EIA al comienzo de nuestro proceso, incluidos los métodos razonablemente previsibles de cumplimiento con la propuesta, los posibles impactos adversos significativos asociados con los métodos de cumplimiento, posibles medidas de mitigación factibles y alternativas viables a la propuesta que podrían reducir o eliminar cualquier impacto adverso significativo. Un borrador del EIA se publicará para revisión y comentarios públicos en 2025.

Para más información

Si tiene alguna pregunta sobre el taller, comuníquese con buildingdecarb@arb.ca.gov. Para mantenerse informado sobre los estándares de calefactores y calentadores de agua de cero emisiones, regístrese para recibir actualizaciones a través del [servidor de listas](#) "Descarbonización de edificios" de CARB.

[Únase al servidor de listas](#)

Solicitud de Comodidades Especiales

De conformidad con la Sección 7296.2 del Código de Gobierno de California, se pueden proporcionar adaptaciones especiales o necesidades lingüísticas para cualquiera de los siguientes:

- Un intérprete estará disponible en la reunión;
- Documentos disponibles en un formato alternativo u otro idioma;
- Una adaptación razonable relacionada con la discapacidad.

Para solicitar estas adaptaciones especiales o necesidades lingüísticas, comuníquese con buildingdecarb@arb.ca.gov o (279) 208-7378 lo antes posible, pero a más tardar cinco días hábiles antes de la reunión programada. Los usuarios de TTY/TDD/Speech to Speech pueden marcar 711 para el Servicio de Retransmisión de California.