

September 5, 2014

Office of the Secretary for Resources
Attn: General Counsel's Office
1416 9th Street, Suite 1311
Sacramento, CA 95814

To Whom It May Concern:

Enclosed please find two copies of the Notice of Decision (NOD) for the Final Environmental Assessment (EA) prepared for proposed amended Rule (PAR) 1111 – Reduction of NOx Emissions from Natural Gas Fired, Fan-type Central Furnaces. The Final EA for PAR 1111 was prepared pursuant to CEQA and the South Coast Air Quality Management District's (SCAQMD) certified regulatory program. The CEQA document was certified by SCAQMD's Governing Board at its September 5, 2014, Public Hearing. Please record and post the Notice of Decision according to the provisions of CEQA.

SCAQMD Rule 110 requires that written responses to public comments on a SCAQMD CEQA document be filed with the Secretary of Resources along with the Notice of Decision. No comment letters were received on the Draft EA for PAR 1111, therefore no responses to public comments are enclosed.

Also enclosed is the original signed CEQA Filing Fee No Effect Determination Form from the Department of Fish and Game pursuant to §711.4 of the California Fish and Game Code.

Please confirm receipt of one copy of the NOD and return it to the undersigned. Two return envelopes have been provided for your convenience (one for the confirmed copies upon receipt, and one for the original NOD to be returned after the posting period). If you have any questions, please call me at (909) 396-3054 or Jeff Inabinet at (909) 396-2453.

Sincerely,

Michael Krause
CEQA Program Supervisor
Planning, Rule Development and Area Sources

Enclosures

NOTICE OF DECISION

To: Office of the Secretary for Resources
Attn: General Counsel's Office
1416 9th Street, Suite 1211
Sacramento, CA 95814

From: SCAQMD
Office of Planning and Policy
21865 Copley Drive
Diamond Bar, CA 91765

Subject: FILING OF NOTICE OF DECISION IN COMPLIANCE WITH §21080.5 OF THE PUBLIC RESOURCES CODE

Project Title: Final Environmental Assessment (EA) prepared for Proposed Amended Rule (PAR) 1111 – Reduction of NOx Emissions from Natural Gas Fired, Fan-type Central Furnaces

SCAQMD Number: 140722JI
SCH Number: 2009091100
Contact Person: Jeffrey J. Inabinet

Date Certified: September 5, 2014
Telephone Number: (909) 396-2453

Project Location: South Coast Air Quality Management District area of jurisdiction: South Coast Air Basin (all of Orange County and the nondesert portions of Los Angeles, Riverside, and San Bernardino counties), and the Riverside County portions of the Salton Sea Air Basin and Mojave Desert Air Basin.

Project Description: The purpose of Rule 1111 is to control emissions of nitrogen oxides (NOx) from gas-fired fan-type residential space heating furnaces with heat input ratings between 50,000 and 175,000 British thermal units per hour (Btu/hr). The rule applies to manufacturers, distributors, sales outlets and installers of such furnaces. PAR 1111 would provide manufacturers additional time to produce residential furnaces that meet the upcoming NOx emission limit of 14 nanograms per Joule (ng/J). Not all manufacturers will be able to produce compliant furnaces by the compliance dates. PAR 1111 will also add an alternate compliance option whereby, in lieu of meeting the new lower NOx emission limit, manufacturers of residential furnaces subject could pay a per unit mitigation fee for each condensing, non-condensing, weatherized and mobile home furnace distributed or sold into the SCAQMD. Specifically, the proposed amendments will delay the compliance date for condensing (high efficiency) units from October 1, 2014 until April 1, 2015. This delay will provide manufacturers additional time for testing new furnace designs, and submitting and receiving approval of alternate compliance plans for non-compliant condensing furnaces. Based on sales estimates for condensing furnaces in southern California, PAR 1111 will result in peak daily emission reductions forgone of up to 46 pounds per day during the period from October 1, 2014 until April 1, 2015. These foregone emission reductions, from the sale and installation of non-compliant furnaces during those six months cannot be completely mitigated during the delay period because the mitigation program will not be in effect until the period of January 1, 2015 and April 1, 2015. However, the mitigation program will be able to offset emission reductions forgone for the remainder of the lifetime of these furnaces once mitigation fees are received during the last calendar quarter of 2014 and the first quarter of 2015. The PAR 1111 mitigation fee will be used to fund existing SCAQMD programs including the clean leaf-blower and lawn mower exchange programs.

This is to advise that the South Coast Air Quality Management District has approved the above described project and has made the following determinations regarding the above described project:

1. The project will not have a significant impact on the environment.
2. Mitigation measures were not made a condition of the approval of this project.
3. A mitigation monitoring program under PRC § 21081.6 was not adopted for this project.
4. A Statement of Findings was not adopted for this project.
5. A Statement of Overriding Considerations was not adopted for this project.

The Final Environmental Assessment, supporting documentation, and record of project approval may be examined at: SCAQMD, 21865 Copley Drive, Diamond Bar, CA 91765.

Date Received for Filing

Signature: _____

Michael Krause
Program Supervisor, CEQA Section
Planning, Rules, and Area Sources