

BOARD MEETING DATE: February 2, 2018

AGENDA NO. 2

PROPOSAL: Set Public Hearing March 2, 2018 to Consider Adoption of and/or Amendments to SCAQMD Rules and Regulations:

Certify Final Environmental Assessment and Amend Rule 1111 – Reduction of NOx Emissions from Natural-Gas-Fired, Fan-Type Central Furnaces

Rule 1111 was amended in 2009 to lower the NOx emission limit for natural-gas-fired fan-type residential furnaces from 40 to 14 nanograms per Joule (ng/J), and amended again in 2014 to provide manufacturers additional time to develop and commercialize compliant units by allowing a mitigation fee option. Although three manufacturers have certified furnaces, only one has a commercialized product available for sale. Additional time is needed to commercialize a range of compliant units for the various categories. Proposed Amended Rule 1111 will increase and extend the mitigation fee alternative compliance option. Proposed Amended Rule 1111 will also prevent the installation of propane furnaces in the SCAQMD capable of being fired on natural gas without proper certification. A companion to the proposed rule amendments will be a rebate program to encourage manufacturers to commercialize and to incentivize consumers to purchase compliant furnaces. An RFP for a contractor to assist staff with implementing this rebate program was approved for release at the December 1, 2017 Board meeting. This action is to adopt the Resolution: 1) Certifying the Final Environmental Assessment for Proposed Amended Rule 1111 – Reduction of NOx Emissions from Natural-Gas-Fired, Fan-Type Central Furnaces; and 2) Amending Rule 1111 – Reduction of NOx Emissions from Natural-Gas-Fired, Fan-Type Central Furnaces. (Reviewed: Stationary Source Committee, November 17, 2017 and January 19, 2018)

The complete text of the proposed amendments, staff report and other supporting documents will be available from the District's Public Information Center, (909) 396-2001 and on the Internet ([www.aqmd.gov](http://www.aqmd.gov)) as of January 31, 2018.

**RECOMMENDED ACTION:**

Set Public Hearing March 2, 2018 to amend Rule 1111.

Wayne Natri  
Executive Officer

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