



# South Coast Air Quality Management District

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

**SUBJECT: NOTICE OF PREPARATION OF A DRAFT  
ENVIRONMENTAL ASSESSMENT**

**PROJECT TITLE: PROPOSED AMENDED RULE 1146.2 – EMISSIONS  
OF OXIDES OF NITROGEN FROM LARGE WATER  
HEATERS AND SMALL BOILERS**

In accordance with the California Environmental Quality Act (CEQA), the South Coast Air Quality Management District (SCAQMD), as the Lead Agency, has prepared this Notice of Preparation (NOP) and Initial Study (IS). This NOP/IS serves two purposes: 1) to solicit information on the scope of the environmental analysis for the proposed project, and 2) to notify the public that the SCAQMD will prepare a Draft Environmental Assessment (EA) to further assess potential environmental impacts that may result from implementing the proposed project.

This letter, NOP and the attached IS are not SCAQMD applications or forms requiring a response from you. Their purpose is simply to provide information to you on the above project. If the proposed project has no bearing on you or your organization, no action on your part is necessary.

Comments focusing on your area of expertise, your agency's area of jurisdiction, or issues relative to the environmental analysis for the proposed project will be accepted during a 30-day public review and comment period beginning Thursday, August 26, 2004, and ending 5pm on Friday, September 24, 2004. Please send any comments to **Ms. Kathy C. Stevens (c/o CEQA) at the address shown above, or sent by FAX to (909) 396-3324 or by e-mail to kstevens@aqmd.gov.** Ms. Stevens can be reached by calling (909) 396-3439. Please include the name and phone number of the contact person for your agency. Questions relative to the proposed rule amendments should be directed to Mr. Wayne Barcikowski at (909) 396-3077 or wbarcikowski@aqmd.gov.

The Public Hearing for the proposed project is currently scheduled for January 7, 2005. (Note: Public meeting dates are subject to change).

**Date:** August 24, 2004

**Signature:** \_\_\_\_\_

*Steve Smith*

Steve Smith, Ph.D.  
Program Supervisor, CEQA  
Planning, Rule Development and Area Sources

**Reference: California Code of Regulations, Title 14, Sections 15082(a), 15103, and 15375**

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT**  
**21865 Copley Drive, Diamond Bar, CA 91765-4178**

**NOTICE OF PREPARATION OF A DRAFT ENVIRONMENTAL ASSESSMENT**

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**Project Title:**

Proposed Amended Rule 1146.2 – Emissions of Oxides of Nitrogen from Large Water Heaters and Small Boilers.

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**Project Location:**

The South Coast Air Quality Management District (SCAQMD) area of jurisdiction consisting of the four-county South Coast Air Basin (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 and the Mojave Desert Air Basin.

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**Description of Nature, Purpose, and Beneficiaries of Project:**

The SCAQMD is proposing amendments to Rule 1146.2. The proposed amendments to Rule 1146.2 will reduce the current NOx emission limits for new units, and include associated new compliance dates in 2007 and 2009. Further, current NOx emission limit requirements for retrofit units manufactured prior to January 1, 2000 will be deleted. SCAQMD staff is also considering an option to delay the retrofit requirements for affected existing units if the retrofit complies with the proposed new NOx emission limits.

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**Lead Agency:**

South Coast Air Quality Management District

**Division:**

Planning, Rule Development and Area Sources

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**Notice of Preparation and all supporting documentation are available at:**      **or by calling:**      **or by accessing the SCAQMD's website at:**

SCAQMD Headquarters  
21865 Copley Drive  
Diamond Bar, CA 91765

(909) 396-2039

<http://www.aqmd.gov/ceqa/aqmd.html>

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**The Public Notice of Preparation is provided through the following:**

Los Angeles Times (August 26, 2004)

AQMD Website

AQMD Mailing List

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**Notice of Preparation Public Review and Comment Period:**

Thursday, August 26, 2004 to Friday, September 24, 2004

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**Scheduled Public Meeting Dates (subject to change):**

SCAQMD Governing Board Hearing: January 7, 2005, 9 a.m., SCAQMD Auditorium

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The proposed project will have statewide, regional or area wide significance, and therefore a scoping meeting will be held pursuant to Public Resources Code §21083.9(a)(2). The scoping meeting date has not yet been established.

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**Send CEQA Comments to:**

Ms. Kathy C. Stevens

**Phone:**

(909) 396-3439

**Email:**

kstevens@aqmd.gov

**Fax:**

(909) 396-3324

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**Direct Questions on Proposed Rule Amendments to:**

Mr. Wayne Barcikowski

**Phone:**

(909) 396-3077

**Email:**

wbarcikowski@aqmd.gov

**Fax:**

(909) 396-3324

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# SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

## INITIAL STUDY AND NOTICE OF PREPARATION

### Proposed Amended Rule 1146.2 – Emissions of Oxides of Nitrogen from Large Water Heaters and Small Boilers

August 2004

SCAQMD No. 082604KCS

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**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT**  
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Executive Officer:

BARRY R. WALLERSTEIN, D.Env.

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# **CHAPTER 1 - PROJECT DESCRIPTION**

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**Introduction**

**Legislative Authority**

**California Environmental Quality Act**

**Project Location**

**Project Objective**

**Implementation Study**

**Effects of the Proposed Project on Emissions**

**Project Description**

**Alternatives**





## **INTRODUCTION**

Rule 1146.2 was initially developed to implement control measure CMB-02B of the 1997 Air Quality Management Plan (AQMP) and also control measure CMB-B of the 1994 AQMP. The rule established emission limits for oxides of nitrogen (NOx) from new and existing water heaters and small boilers rated from 75,000 and 2,000,000 British thermal units per hour (Btu/hr) heat input; established five separate compliance dates; established categories of units based on heat input ratings for each compliance date; and set NOx emission limits for each category with specific compliance dates based on the equipment size and age.

The proposed amendments to Rule 1146.2 affect current requirements for January 1, 2005 and January 1, 2006 and will reduce the current NOx emission limits for new units, and include associated new compliance dates in 2007 and 2009. The proposed project will also revise the retrofit requirements because the availability of universal retrofit kits for the majority of existing affected equipment did not develop as expected.

This Initial Study (IS) has identified “air quality” as the only area that may be adversely affected by the proposed project, due to potential emission reductions foregone. A Draft Environmental Assessment (EA) will be prepared to further analyze whether the potential impacts to air quality are significant.

Throughout this document, references to “proposed project” or “PAR 1146.2” are one in the same and used interchangeably. In addition, references to “units” throughout this document include large water heaters, small boilers and process heaters collectively, unless otherwise stated.

## **LEGISLATIVE AUTHORITY**

The California Legislature created the SCAQMD in 1977<sup>1</sup> as the agency responsible for developing and enforcing air pollution control rules and regulations in the South Coast Air Basin (Basin), and portions of the Salton Sea Air Basin and Mojave Desert Air Basin (collectively known as the “district”). By statute, the SCAQMD is required to adopt an air quality management plan (AQMP) demonstrating compliance with all federal and state ambient air quality standards for the district<sup>2</sup>. Furthermore, the SCAQMD must adopt rules and regulations that carry out the AQMP<sup>3</sup>.

## **CALIFORNIA ENVIRONMENTAL QUALITY ACT**

The proposed amendments to Rule 1146.2 are a “project” as defined by the California Environmental Quality Act (CEQA). CEQA requires that the potential adverse environmental impacts of proposed projects be evaluated and that methods to reduce or avoid identified significant adverse environmental impacts of these projects be implemented if feasible. The purpose of the CEQA process is to inform the SCAQMD’s Governing Board, public agencies, and interested parties of potential adverse environmental impacts that could result from

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<sup>1</sup> The Lewis-Presley Air Quality Management Act, 1976 Cal. Stats., ch 324 (codified at Health & Safety Code, §§40400-40540).

<sup>2</sup> Health & Safety Code §40460 (a).

<sup>3</sup> Health & Safety Code §40440 (a).

implementing the proposed project and to identify feasible mitigation measures when an impact is significant.

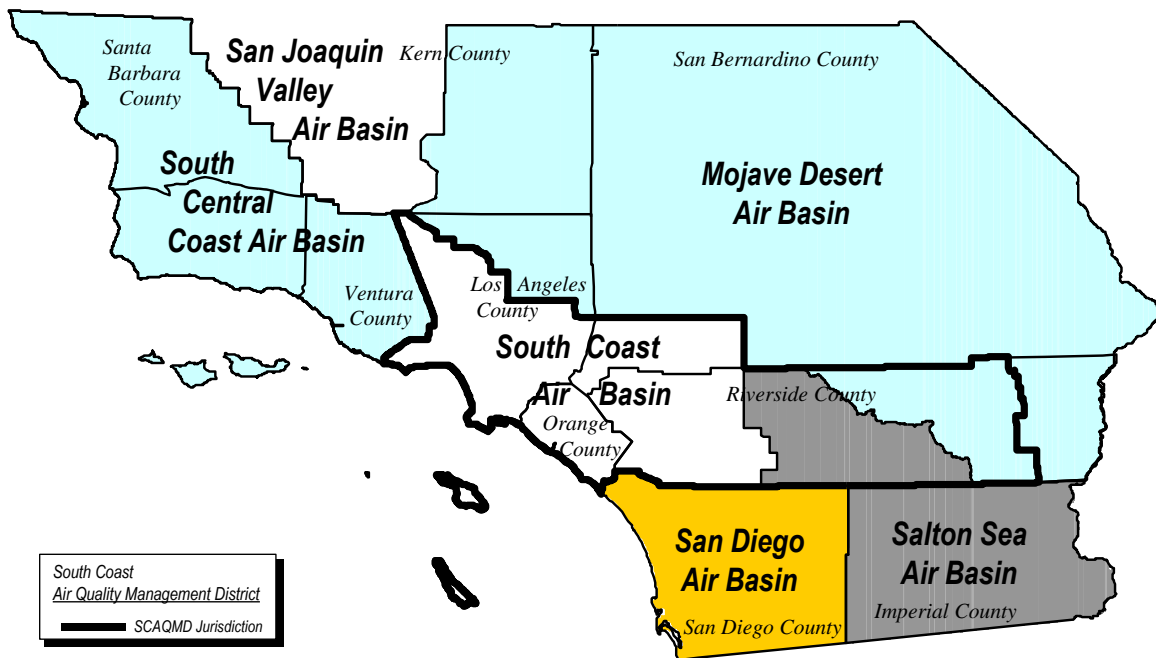
California Public Resources Code §21080.5 allows public agencies with regulatory programs to prepare a plan or other written documents in lieu of an environmental impact report once the Secretary of the Resources Agency has certified the regulatory program. The SCAQMD's regulatory program was certified by the Secretary of Resources Agency on March 1, 1989 and is codified as SCAQMD Rule 110. Pursuant to Rule 110, SCAQMD will be preparing a Draft EA to evaluate potential adverse impacts from the proposed project.

An environmental impact is defined as an impact to the physical conditions which exist within the area which would be affected by a proposed project, including land, air, water, minerals, flora, fauna, noise, or objects of historic significance. CEQA and Rule 110 require that potentially significant adverse environmental impacts of proposed projects be evaluated, and that feasible methods to reduce or avoid these significant adverse environmental impacts be implemented. To fulfill the purpose and intent of CEQA, the SCAQMD has prepared this IS to identify the potentially significant adverse environmental impacts associated with implementing PAR 1146.2. The IS is also intended to solicit information about the proposed project from other public agencies and interested parties prior to the release of the Draft EA.

The SCAQMD as Lead Agency for the proposed project, has prepared this IS (which includes an Environmental Checklist). The IS has identified air quality as a potentially significant adverse topic area impacted from implementing PAR 1146.2, which will be evaluated in further detail in the Draft EA. The Environmental Checklist in the IS provides a standard evaluation tool to identify a project's adverse environmental impacts. The IS is also intended to provide information about the proposed project to other public agencies and interested parties prior to the release of the Draft EA. Written comments on the scope of the environmental analysis received by the SCAQMD during the 30-day review and comment period will be considered when preparing the Draft EA.

## **PROJECT LOCATION**

The SCAQMD has jurisdiction over an area of approximately 10,743 square miles (referred to hereafter as the district), consisting of the four-county South Coast Air Basin (Basin) (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 the Mojave Desert Air Basin (MDAB). The Basin, which is a subarea of the district, is bounded by the Pacific Ocean to the west and the San Gabriel, San Bernardino, and San Jacinto Mountains to the north and east. The Riverside County portions of the SSAB and MDAB are bounded by the San Jacinto Mountains in the west and span eastward up to the Palo Verde Valley. The federal nonattainment area (known as the Coachella Valley Planning Area) is a subregion of both Riverside County and the SSAB that is bounded by the San Jacinto Mountains to the west and the eastern boundary of the Coachella Valley to the east (Figure 1-1).



**Figure 1-1**  
**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT**

## PROJECT OBJECTIVE

The objective of PAR 1146.2 is to reduce oxides of nitrogen (NO<sub>x</sub>) from large water heaters and small boilers rated from 75,000 up to and including 2,000,000 Btu/hr heat input. The proposed project will also revise the retrofit requirements because the availability of universal retrofit kits for the majority of existing affected equipment did not develop as expected.

## IMPLEMENTATION STUDY

When Rule 1146.2 was initially adopted, it included a provision that the SCAQMD, in cooperation with industry and members of the public, continue to evaluate specific aspects of the rule and to conduct an implementation study presenting the results 18 months before various rule compliance dates. The implementation study specifically evaluated:

- available and potential low-NO<sub>x</sub> burners and boilers;
- cost differential between standard units and low-NO<sub>x</sub> units;
- potential fuel savings from low-NO<sub>x</sub> units; and
- certification and related standards including safety.

Since Rule 1146.2 was adopted in January 1998, manufacturers have been producing compliant new units and certifying these units through the Rule 1146.2 Certification Program. Rule 1146.2 envisioned that universal retrofit kits would be widely available to provide emission reductions while extending the useful life of existing equipment. The availability of universal retrofit kits did not develop as expected, and to date no universal retrofit kits have been certified. It is for this reason the proposed project includes deleting the retrofit requirements. To allow manufacturers additional time to develop retrofit kits, staff is also considering modifying the proposal to delay retrofit requirements. The manufacture of new units at the proposed lower NOx emission limit was found to be feasible.

The results of the Implementation Study found that new units were certified to achieve 20 ppm levels or below. It is for this reason that the proposed project includes reducing NOx limits from 30 to 20 ppm for greater than 400,000 Btu/hr units and from 40 to 20 ng/J for units rated from 75,000 up to and including 400,000.

## **EFFECTS OF THE PROPOSED PROJECT ON EMISSIONS**

The existing version of Rule 1146.2 requires a NOx emission limit of 30 ppm for new and existing units. This requirement applies to manufacturers, distributors, retailers, refurbishers, installers and operators of *new* large water heater, small boiler and process heater units. For *existing* units the rule requires owners and operators of units manufactured prior to January 1, 2000 to retrofit or replace the equipment to comply with the current NOx emission limit of 30 ppm.

The proposed rule amendments will lower the NOx limit for new units beginning in 2007 and include a recommendation to delete retrofit requirements. To allow manufacturers additional time to develop retrofit kits, SCAQMD staff is also considering an option to delay the retrofit requirements for affected existing units if the retrofit complies with the proposed new NOx emission limits. The delay or deletion of the retrofit requirements from Rule 1146.2 is expected to result in emission reductions foregone.

The preliminary estimate of the amount of NOx emission reductions foregone is 0.7 ton per day (1,400 pounds per day) in 2005 and 0.8 ton per day (1,600 pounds per day) in 2006. After 2006, the amount of NOx emission reductions foregone will lessen each year as sales of new units replace existing units. At full implementation, PAR 1146.2 will achieve greater NOx emission reductions than Rule 1146.2 as currently written. The preliminary estimate of daily foregone NOx emission reductions exceeds the CEQA daily significance threshold for NOx of 55 pounds per day during the early years of implementation of the proposed amended rule. Therefore a Draft EA will be prepared.

The Draft EA will further evaluate the air quality impacts associated with both the emission reductions obtained by further reducing the NOx emission limits on new units and the emission reductions foregone by delaying or deleting the retrofit requirements on units manufactured prior to January 1, 2000.

## **PROJECT DESCRIPTION**

The following discussion summarizes the proposed changes to Rule 1146.2. Unless stated otherwise, all components of the existing rule remain in effect. A copy of PAR 1146.2 is located in Appendix A.

### Purpose and Applicability

The purpose of Rule 1146.2 is to reduce NO<sub>x</sub> emissions from natural gas-fired large (commercial) water heaters, small (industrial) boilers, and process heaters that have a rated heat input starting at 75,000 Btu/hr up to and including 2,000,000 Btu/hr. The proposed rule amendments do not change the current purpose and applicability of Rule 1146.2.

### Definitions

The rule includes definitions of language used to describe various aspects of Rule 1146.2. The proposed rule amendments do not change the current definitions.

### Requirements

Table 1-1 compares the existing rule language and the proposed rule amendments.

**TABLE 1-1  
A COMPARISON OF THE  
EXISTING RULE REQUIREMENTS AND THE PROPOSED RULE AMENDMENTS**

UNIT CATEGORY	CURRENT REQUIREMENTS		PROPOSED REQUIREMENTS	
	NO <sub>x</sub> EMISSION LIMIT	COMPLIANCE DATE	NO <sub>x</sub> EMISSION LIMIT	COMPLIANCE DATE
(New units) >400,000 Btu/hr up to and including 2,000,000 Btu/hr	≤ 30 ppm	On or after January 1, 2000 <sup>(a)</sup>	≤ 20 ppm	On or after January 1, 2007
(New units) 75,000 Btu/hr up to and including 400,000 Btu/hr	≤ 55 ppm or 40 ng/J	On or after January 1, 2001 <sup>(b)</sup>	≤ 30 ppm or 20 ng/J	On or after January 1, 2009
(Existing units) >1,000,000 Btu/hr but ≤2,000,000 Btu/hr manufactured prior to January 1, 1992	≤ 30 ppm	On or after July 1, 2002	The current version of PAR 1146.2 includes a recommendation to <u>delete</u> retrofit requirements. This proposal may change to the <u>delay</u> of retrofit requirements.	
(Existing units) >1,000,000 Btu/hr but ≤2,000,000 Btu/hr manufactured between January 1, 1992 and January 1, 1999	≤ 30 ppm	On or after January 1, 2005		
(Existing units) >400,000 Btu/hr but ≤ 1,000,000 Btu/hr manufactured prior to January 1, 2000	≤ 30 ppm	On or after January 1, 2006		

(a) This requirement assumes that the NO<sub>x</sub> limit is applicable through December 31, 2006.

(b) This requirement assumes that the NO<sub>x</sub> limit is applicable through December 31, 2008.

In addition to the amendments outlined in Table 1-1, the proposed amendments will also require tune-ups for all affected equipment based upon the manufacturer's tune-up procedure for that specific unit..

### Certification

Rule 1146.2 requires the manufacturers to obtain confirmation from an independent testing laboratory that each unit complies with the applicable requirements of the rule. The proposed amendments will not modify the basic requirement that each large water heater or small boiler unit be certified.

### Modification (Retrofit) Provisions

The existing rule requires the retrofit of units manufactured prior to January 1, 2000. This section will be modified as part of the proposed rule amendments. Although the current proposed rule language in Appendix A states that the retrofit requirements are deleted, these requirements may be delayed or deleted. If delayed, the retrofit requirements may be proposed to be the same NOx limit as for new equipment.

### Identification of Compliant Units

Rule 1146.2 requires the manufacturers of affected units to identify and display the specific heat input rating, retrofit kit model number and certification on each unit. This provision of the rule will not be modified, other than deleting the requirement to display retrofit information.

### Enforcement

The enforcement section of the rule allows the SCAQMD to periodically inspect distributors, retailers, and installers of units located in the district. This section will not be modified in the proposed rule amendments.

### Exemptions

The current rule includes exemptions for large water heaters and small boiler units used in recreational vehicles or mobile homes; units located at RECLAIM facilities; any residential units; and units demonstrated to use less than 9,000 therms of natural gas during every calendar year beginning with 2001 units rated greater than 1,000,000 Btu/hr, but less than or equal to 2,000,000 Btu/hr; and 2005 units rated greater than 400,000 Btu/hr, but less than or equal to 1,000,000 Btu/hr.

The proposed rule amendments may no longer require units demonstrate they use less than 9,000 therms of natural gas during each calendar year if the retrofit requirements are deleted. If the current proposal is modified to delay the retrofit requirements, the exemption of units demonstrated to use less than 9,000 terms of natural gas every calendar year will be retained in the rule language.

### Implementation Study

This section of the current rule 1146.2 is no longer applicable and will be deleted.

## **ALTERNATIVES**

The Draft EA will discuss and compare alternatives to the proposed project as required by CEQA and by SCAQMD Rule 110. Alternatives must include realistic measures for attaining the basic objectives of the proposed project and provide a means for evaluating the comparative merits of each alternative. In addition, the range of alternatives must be sufficient to permit a reasoned choice and it need not include every conceivable project alternative. The key issue is whether the selection and discussion of alternatives fosters informed decision making and public participation. A CEQA document need not consider an alternative whose effect cannot be reasonably ascertained and whose implementation is remote and speculative.

SCAQMD Rule 110 does not impose any greater requirements for a discussion of project alternatives in an environmental assessment than is required for an Environmental Impact Report under CEQA. Alternatives will be developed based in part on the major components of the

proposed rule. The rationale for selecting alternatives rests on CEQA's requirement to present "realistic" alternatives; that is alternatives that can actually be implemented. CEQA also requires an evaluation of a "No Project Alternative." Written suggestions on potential project alternatives received during the comment period for the Initial Study will be considered when preparing the Draft EA.





## **CHAPTER 2 - ENVIRONMENTAL CHECKLIST**

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**Introduction**

**General Information**

**Potentially Significant Impact Areas**

**Determination**

**Environmental Checklist and Discussion**



## **INTRODUCTION**

The environmental checklist provides a standard evaluation tool to identify a project's adverse environmental impacts. This checklist identifies and evaluates potential adverse environmental impacts that may be created by the proposed amendments to Rule 1146.2.

## **GENERAL INFORMATION**

**Project Title:** Proposed Amended Rule 1146.2 – Emissions of Oxides of Nitrogen from Large Water Heaters and Small Boilers

**Lead Agency:** South Coast Air Quality Management District  
21865 Copley Drive  
Diamond Bar, CA 91765  
[www.aqmd.gov](http://www.aqmd.gov)

**CEQA Contact Person:** Kathy C. Stevens (909) 396-3439  
kstevens@aqmd.gov

**Rule Contact Person:** Wayne Barcikowski (909) 396-3077  
wbarcikowski@aqmd.gov

**Project Sponsor:** South Coast Air Quality Management District  
21865 Copley Drive  
Diamond Bar, CA 91765  
[www.aqmd.gov](http://www.aqmd.gov)

**Project Description:** The SCAQMD is proposing amendments to Rule 1146.2. The proposed amendments to Rule 1146.2 will reduce the current NOx emission limits for new units, and include associated new compliance dates in 2007 and 2009. Further, current NOx emission limit requirements for retrofit units manufactured prior to January 1, 2000 will be deleted. SCAQMD staff is also considering an option to delay the retrofit requirements for affected existing units if the retrofit complies with the proposed new NOx emission limits.

## POTENTIALLY SIGNIFICANT IMPACT AREAS

The following environmental impact areas have been evaluated to determine their potential to be affected by the proposed project. As indicated by the checklist on the following pages, environmental topics marked with a “✓” may be adversely affected by the proposed project. An explanation relative to the determination of impacts can be found following the checklist for each area.

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> Aesthetics             | <input type="checkbox"/> Geology and Soils               | <input type="checkbox"/> Population and Housing  |
| <input type="checkbox"/> Agricultural Resources | <input type="checkbox"/> Hazards and Hazardous Materials | <input type="checkbox"/> Public Services         |
| <input checked="" type="checkbox"/> Air Quality | <input type="checkbox"/> Hydrology and Water Quality     | <input type="checkbox"/> Recreation              |
| <input type="checkbox"/> Biological Resources   | <input type="checkbox"/> Land Use and Planning           | <input type="checkbox"/> Solid/Hazardous Waste   |
| <input type="checkbox"/> Cultural Resources     | <input type="checkbox"/> Mineral Resources               | <input type="checkbox"/> Transportation./Traffic |
| <input type="checkbox"/> Energy                 | <input type="checkbox"/> Noise                           | <input type="checkbox"/> Mandatory Findings      |

## DETERMINATION

On the basis of this initial evaluation:

- I find the proposed project, in accordance with those findings made pursuant to CEQA Guideline §15252, could NOT have a significant effect on the environment, and that an ENVIRONMENTAL ASSESSMENT with no significant impacts will be prepared.
- I find that although the proposed project could have a significant effect on the environment, there will NOT be significant effects in this case because the mitigation measures described on an attached sheet have been added to the project. An ENVIRONMENTAL ASSESSMENT with no significant impacts will be prepared.
- I find that the project MAY have a significant effect(s) on the environment, and an ENVIRONMENTAL ASSESSMENT will be prepared.

Date: August 24, 2004

Signature: \_\_\_\_\_

*Steve Smith*

Steve Smith, Ph.D.  
Program Supervisor, CEQA  
Planning, Rule Development and Area  
Sources

## ENVIRONMENTAL CHECKLIST AND DISCUSSION

	Potentially Significant Impact	Less Than Significant Impact	No Impact
<b>I. AESTHETICS.</b> Would the project:			
a) Have a substantial adverse effect on a scenic vista?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Substantially degrade the existing visual character or quality of the site and its surroundings?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

### AESTHETICS DISCUSSION:

#### Significance Criteria

The proposed project impacts on aesthetics will be considered significant if:

- The project will block views from a scenic highway or corridor.
- The project will adversely affect the visual continuity of the surrounding area.
- The impacts on light and glare will be considered significant if the project adds lighting which would add glare to residential areas or sensitive receptors.

a) – d) PAR 1146.2 applies to manufacturers, distributors, retailers, refurbishers, installers and operators of new and existing natural gas-fired large (commercial) water heaters, small (industrial) boilers, and process heaters. This rule does not require the construction of new buildings or structures, the demolition of any existing buildings or facilities, require any subsurface activities, the acquisition of any new land or the surrendering of existing land, or the modification of any existing land use designations or zoning ordinances. The proposed amendments to Rule 1146.2 will further reduce NOx emissions limits for large water heaters, small boilers and process heaters. The businesses affected by this rule are located within urbanized areas typically designated industrial or commercial.

Based upon the above, the proposed project is not expected to degrade the visual character of the of the site or its surroundings, affect any scenic vista, damage scenic resources or create any new source of substantial light or glare.

As a result, significant adverse aesthetic impacts are not expected and will not be analyzed further in the Draft EA.

	Potentially Significant Impact	Less Than Significant Impact	No Impact
<b>II. AGRICULTURAL RESOURCES.</b> Would the project:			
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland mapping and Monitoring Program of the California Resources Agency, to non- agricultural use?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

#### AGRICULTURAL RESOURCES DISCUSSION:

##### Significance Criteria

Project-related impacts on agricultural resources will be considered significant if any of the following conditions are met:

- The proposed project conflicts with existing zoning or agricultural use or Williamson Act contracts.
- The proposed project will convert prime farmland, unique farmland or farmland of statewide importance as shown on the maps prepared pursuant to the farmland mapping and monitoring program of the California Resources Agency, to non-agricultural use.
- The proposed project would involve changes in the existing environment, which due to their location or nature, could result in conversion of farmland to non-agricultural uses.

a) – c) PAR 1146.2 applies to manufacturers, distributors, retailers, refurbishers, installers and operators of new and existing natural gas-fired large (commercial) water heaters, small (industrial) boilers, and process heaters. This rule does not require the construction of new buildings or structures, the demolition of any existing buildings or facilities, require any subsurface activities, the acquisition of any new land or the surrendering of existing land, or the modification of any existing land use designations or zoning ordinances. The proposed amendments to Rule 1146.2 will further reduce NOx emissions limits for large water heaters, small boilers and process heaters. The businesses affected by this rule are located within urbanized areas typically designated industrial or commercial.

Based upon the above, the proposed project will not conflict with existing agricultural zoning or Williamson Act contracts, will not convert any farmland to a non-agricultural use, or require any changes to the existing environment which could result in the conversion of farmland to a non-agricultural use.

As a result, significant adverse agricultural resource impacts are not expected and will not be analyzed further in the Draft EA.

	Potentially Significant Impact	Less Than Significant Impact	No Impact
<b>III. AIR QUALITY.</b> Would the project:			
a) Conflict with or obstruct implementation of the applicable air quality plan?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Violate any air quality standard or contribute to an existing or projected air quality violation?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions that exceed quantitative thresholds for ozone precursors)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Expose sensitive receptors to substantial pollutant concentrations?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Create objectionable odors affecting a substantial number of people?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Diminish an existing air quality rule or future compliance requirement resulting in a significant increase in air pollutant(s)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**AIR QUALITY DISCUSSION:****Significance Criteria**

Impacts will be evaluated and compared to the significance criteria in Table 2-1. If impacts equal or exceed any of the following criteria, they will be considered significant.

**TABLE 2-1  
AIR QUALITY SIGNIFICANCE THRESHOLDS**

<b>Mass Daily Thresholds</b>		
<b>Pollutant</b>	<b>Construction</b>	<b>Operation</b>
Oxides of Nitrogen (NO <sub>x</sub> )	100 lbs/day	55 lbs/day
Volatile Organic Compound (VOC)	75 lbs/day	55 lbs/day
Particulate Matter less than 10 microns in size (PM <sub>10</sub> )	150 lbs/day	150 lbs/day
Sulfur Oxide (SO <sub>x</sub> )	150 lbs/day	150 lbs/day
Carbon Monoxide (CO)	550 lbs/day	550 lbs/day
Lead	3 lbs/day	3 lbs/day
<b>Toxic Air Contaminants and Odor Thresholds</b>		
TACs (including carcinogens and non-carcinogens)	Maximum Incremental Cancer Risk $\geq$ 10 in 1 million Hazard Index $\geq$ 1.0 (project increment) Hazard Index $\geq$ 3.0 (facility-wide)	
Odor	Project creates an odor nuisance pursuant to SCAQMD Rule 402	

**TABLE 2-1**  
**AIR QUALITY SIGNIFICANCE THRESHOLDS**  
**(continued)**

<b>Ambient Air Quality for Criteria Pollutants</b>	
NO <sub>2</sub> 1-hour average annual average	20 ug/m <sup>3</sup> (= 1.0 pphm) 1 ug/m <sup>3</sup> (= 0.05 pphm)
PM10 24-hour annual geometric mean 24-hour construct	2.5 ug/m <sup>3</sup> 1.0 ug/m <sup>3</sup> 10.4 ug/m <sup>3</sup>
Sulfate 24-hour average	1 ug/m <sup>3</sup>
CO 1-hour average 8-hour average	1.1 mg/m <sup>3</sup> (= 1.0 ppm) 0.50 mg/m <sup>3</sup> (= 0.45 ppm)

ug/m<sup>3</sup> = microgram per cubic meter; pphm = parts per hundred million; mg/m<sup>3</sup> = milligram per cubic meter; ppm = parts per million

a) Rule 1146.2 was adopted in 1998 to implement control measure CMB-02B of the 1997 AQMP (also control measure CMB-B of the 1994 AQMP) to address NO<sub>x</sub> emissions from large water heaters and small boilers rated between 75,000 and 2,000,000 Btu/hr heat input. The proposed amendments will not conflict with or obstruct implementation of the AQMP because the 2003 AQMP has a three-ton per day set aside for NO<sub>x</sub> emissions to account for any delays in achieving anticipated emission reductions from existing rules, while still demonstrating attainment of the federal ambient air quality standards. This conclusion takes into consideration the proposed amendments to Rule 1121 which also delay or forego anticipated NO<sub>x</sub> emission reductions in the amount of 1.44 tons per day in the year 2005, the year of peak emission reductions foregone. Ultimately 1146.2 is expected to generate additional NO<sub>x</sub> emission reductions which will further the goals of the 2003 AQMP to reduce NO<sub>x</sub> emissions to achieve all standards for ozone, PM10 and PM2.5.

b) and c) The objective of PAR 1146.2 is to further reduce the NO<sub>x</sub> emission limits based on the rated heat input of each unit, and include associated new compliance dates in 2007 and 2009 based on equipment size and age. Further, the proposed amendments delete retrofit requirements, which contribute to a preliminary estimate of 0.7 ton (1,400 pounds) of NO<sub>x</sub> per day foregone for the year 2005 and 0.8 ton (1,600 pounds) per day in 2006. Staff is currently considering a proposal to delay rather than delete the retrofit requirement, which would reduce emission reduction foregone impacts. The proposed amendments will not cause an increase in emissions, only allow existing equipment to continue to operate at existing NO<sub>x</sub> levels. The amount of NO<sub>x</sub> emission reductions foregone will lessen over time as the manufacture and sale of new units replace existing units. The effects of the potential emission reductions foregone and cumulative impacts will be further evaluated in the Draft EA.

d) and e) PAR 1146.2 applies to manufacturers, distributors, retailers, refurbishers, installers and operators of *new* natural gas-fired large (commercial) water heaters, small (industrial) boilers, and process heaters. For *existing* natural gas-fired large (commercial) water heaters, small (industrial) boilers, and process heaters, the rule requires owners and operators of units



manufactured prior to January 1, 2000 to retrofit or replace the equipment to comply with the same NOx emission limits as required for new units. The proposed project does not require any changes to existing businesses which would create significant objectionable odors affecting a substantial number of people because control equipment for affected units does not involve the use of, or generate odorous substances. Further, there are no requirements in the existing rule or the proposed rule amendments which would expose sensitive receptors to substantial pollutant concentrations.

f) The proposed amendments to Rule 1146.2 will further reduce the NOx emission limits based on the rated heat input of each unit, and include associated new compliance dates in 2007 and 2009 based on size and age. In addition, the existing retrofit requirements will be deleted. Staff is also currently considering a proposal to delay the retrofit requirements rather than delete them. Rule 1146.2 implements control measure CMB-02B of the 1997 AQMP (also control measure CMB-B of the 1994 AQMP) to address NOx emissions from large water heaters and small boilers rated from 75,000 up to and including 2,000,000 Btu/hr heat input, the proposed amendments will not diminish an existing air quality rule or future compliance requirement resulting in a significant increase in air pollutants over the long term because, ultimately, affected equipment will have to comply with NOx limits that are lower than what is currently required by Rule 1146.2.

Increasing the NOx emission limit requirements will achieve additional NOx emission reductions. Deleting existing retrofit requirements will cause temporary emission reductions foregone. If the proposal is modified to delay the retrofit requirements, the NOx emission reduction foregone impact would be reduced. As a result, both the potential significant adverse air quality impacts and the air quality benefits will be evaluated further in the Draft EA.

	Potentially Significant Impact	Less Than Significant Impact	No Impact
<b>IV. BIOLOGICAL RESOURCES.</b> Would the project:			
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Have a substantial adverse effect on federally protected wetlands as defined by §404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

- |  |                          |                          |                                     |
|--|--------------------------|--------------------------|-------------------------------------|
| d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| e) Conflicting with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?   | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| f) Conflict with the provisions of an adopted Habitat Conservation plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?   | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

## **BIOLOGICAL RESOURCES DISCUSSION:**

### **Significance Criteria**

Impacts on biological resources will be considered significant if any of the following criteria apply:

- The project results in a loss of plant communities or animal habitat considered to be rare, threatened or endangered by federal, state or local agencies.
- The project interferes substantially with the movement of any resident or migratory wildlife species.
- The project adversely affects aquatic communities through construction or operation of the project.

a) – f) PAR 1146.2 applies to manufacturers, distributors, retailers, refurbishers, installers and operators of new and existing natural gas-fired large (commercial) water heaters, small (industrial) boilers, and process heaters. This rule does not require the construction of new buildings or structures, the demolition of any existing buildings or facilities, require any subsurface activities, the acquisition of any new land or the surrendering of existing land, or the modification of any existing land use designations or zoning ordinances. The proposed amendments to Rule 1146.2 will further reduce NOx emissions limits for large water heaters, small boilers and process heaters. The businesses affected by this rule are located within urbanized areas typically designated industrial or commercial.

Based upon the above, the proposed project will not affect either directly or indirectly any candidate, sensitive or special status species, will not affect any riparian habitat, will not affect any federally protected wetlands as defined by §404 of the Clean Water Act, will not interfere with the movement or migration of any fish or wildlife species, will not conflict with any local policies or ordinances affecting biological resources, or conflict with any adopted local, regional or state habitat conservation plans.

As a result, significant adverse biological resource impacts are not expected and will not be analyzed further in the Draft EA.

	Potentially Significant Impact	Less Than Significant Impact	No Impact
<b>V. CULTURAL RESOURCES.</b> Would the project:			
a) Cause a substantial adverse change in the significance of a historical resource as defined in §15064.5?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Cause a substantial adverse change in the significance of an archaeological resource as defined in §15064.5?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Directly or indirectly destroy a unique paleontological resource, site, or feature?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Disturb any human remains, including those interred outside formal cemeteries?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

#### **CULTURAL RESOURCES DISCUSSION:**

##### **Significance Criteria**

Impacts to cultural resources will be considered significant if:

- The project results in the disturbance of a significant prehistoric or historic archaeological site or a property of historic or cultural significance to a community or ethnic or social group.
- Unique paleontological resources are present that could be disturbed by construction of the proposed project.
- The project would disturb human remains.

a) – d) PAR 1146.2 applies to manufacturers, distributors, retailers, refurbishers, installers and operators of new and existing natural gas-fired large (commercial) water heaters, small (industrial) boilers, and process heaters. This rule does not require the construction of new buildings or structures, the demolition of any existing buildings or facilities, require any subsurface activities, the acquisition of any new land or the surrendering of existing land, or the modification of any existing land use designations or zoning ordinances. The proposed amendments to Rule 1146.2 will further reduce NOx emissions limits for large water heaters, small boilers and process heaters. The businesses affected by this rule are located within urbanized areas typically designated industrial or commercial.

Based upon the above, the proposed project will not cause a substantial adverse change in either historical or archaeological resources, destroy any unique paleontological or geologic features, or disturb any human remains including those interred outside formal cemeteries.

As a result, significant adverse cultural resource impacts are not expected and will not be analyzed further in the Draft EA.

	Potentially Significant Impact	Less Than Significant Impact	No Impact
<b>VI. ENERGY.</b> Would the project:			
a) Conflict with adopted energy conservation plans?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Result in the need for new or substantially altered power or natural gas utility systems?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Create any significant effects on local or regional energy supplies and on requirements for additional energy?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Create any significant effects on peak and base period demands for electricity and other forms of energy?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Comply with existing energy standards?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**ENERGY DISCUSSION:****Significance Criteria**

The impacts to energy and mineral resources will be considered significant if any of the following criteria are met:

- The project conflicts with adopted energy conservation plans or standards.
- The project results in substantial depletion of existing energy resource supplies.
- An increase in demand for utilities impacts the current capacities of the electric and natural gas utilities.
- The project uses non-renewable resources in a wasteful and/or inefficient manner.

a) – e) PAR 1146.2 applies to manufacturers, distributors, retailers, refurbishers, installers and operators of new and existing natural gas-fired large (commercial) water heaters, small (industrial) boilers, and process heaters. This rule does not require the construction of new buildings or structures, the demolition of any existing buildings or facilities, require any subsurface activities, the acquisition of any new land or the surrendering of existing land, or the modification of any existing land use designations or zoning ordinances. The businesses affected by this rule are located within urbanized areas typically designated industrial or commercial.

The proposed amendments to Rule 1146.2 will further reduce NOx emissions limits for large water heaters, small boilers and process heaters. NOx emission reduction requirements can be achieved however, in part by making the combustion process of the affected equipment more efficient. Making the combustion process more efficient results in reducing the energy demand of affected equipment; which is a small, beneficial effect of the proposed project. Based upon the above, the proposed project will not conflict with any adopted energy conservation plans, affect local or regional energy supplies, require additional energy, affect peak and base period demands, or affect existing energy standards.

As a result, significant adverse energy impacts are not expected and will not be analyzed further in the Draft EA.

	Potentially Significant Impact	Less Than Significant Impact	No Impact
<b>VII. GEOLOGY AND SOILS.</b> Would the project:			
a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:			
• Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Strong seismic ground shaking?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Seismic-related ground failure, including liquefaction?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Landslides?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Result in substantial soil erosion or the loss of topsoil?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Be located on a geologic unit or soil that is unstable or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

#### **GEOLOGY AND SOILS DISCUSSION:**

##### **Significance Criteria**

Impacts on the geological environment will be considered significant if any of the following criteria apply:

- Topographic alterations would result in significant changes, disruptions, displacement, excavation, and compaction or over covering of large amounts of soil.
- Unique geological resources (paleontological resources or unique outcrops) are present that could be disturbed by the construction of the proposed project.
- Exposure of people or structures to major geologic hazards such as earthquake surface rupture, ground shaking, liquefaction or landslides.

- Secondary seismic effects could occur which could damage facility structures, e.g., liquefaction.
- Other geological hazards exist which could adversely affect the facility, e.g., landslides, mudslides.

a) – e) Southern California is an area of known seismic activity. The installation of any equipment must comply with applicable Uniform Building Code (UBC) requirements. As part of the issuance of building permits, local jurisdictions are responsible for assuring that the UBC is adhered to, and can conduct inspections to ensure compliance. The UBC is considered to be a standard safeguard against major structural failures and loss of life. The basic formulas used for the UBC seismic design require determination of the seismic zone and site coefficient, which represents the foundation condition at the site. The UBC requirements also consider liquefaction potential and establish stringent requirements for building foundations in areas potentially subject to liquefaction. Thus, the proposed project would not alter the exposure of people or property to geological hazards such as earthquakes, landslides, mudslides, ground failure, or other natural hazards. As a result, substantial exposure of people or structures to the risk of loss, injury, or death is not anticipated and will not be further analyzed in the Draft EA.

PAR 1146.2 applies to manufacturers, distributors, retailers, refurbishers, installers and operators of new and existing natural gas-fired large (commercial) water heaters, small (industrial) boilers, and process heaters. This rule does not require the construction of new buildings or structures, the demolition of any existing buildings or facilities, require any subsurface activities, the acquisition of any new land or the surrendering of existing land, or the modification of any existing land use designations or zoning ordinances. The proposed amendments to Rule 1146.2 will further reduce NOx emissions limits for large water heaters, small boilers and process heaters.

Based upon the above, the proposed project will not expose people or structures to seismic ground shaking, seismic-related ground failure, landslides, lateral spreading, subsidence, liquefaction or incompetent/expansive soils.

As a result, significant adverse geology and soils impacts are not expected and will not be analyzed further in the Draft EA.

	Potentially Significant Impact	Less Than Significant Impact	No Impact
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### VIII. HAZARDS AND HAZARDOUS

#### MATERIALS. Would the project:

- |  |                          |                          |                                     |
|--|--------------------------|--------------------------|-------------------------------------|
| a) Create a significant hazard to the public or the environment through the routine transport, use, and disposal of hazardous materials?   | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| b) Create a significant hazard to the public or the environment through reasonably foreseeable upset conditions involving the release of hazardous materials into the environment? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| c) Emit hazardous emissions, or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed                           | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

- school?
- |  |                          |                          |                                     |
|--|--------------------------|--------------------------|-------------------------------------|
| d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code §65962.5 and, as a result, would create a significant hazard to the public or the environment?   | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?  | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?  | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?   | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| i) Significantly increased fire hazard in areas with flammable materials?  | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

## HAZARDS AND HAZARDOUS MATERIALS:

### Significance Criteria

The impacts associated with hazards will be considered significant if any of the following occur:

- Non-compliance with any applicable design code or regulation.
- Non-conformance to National Fire Protection Association standards.
- Non-conformance to regulations or generally accepted industry practices related to operating policy and procedures concerning the design, construction, security, leak detection, spill containment or fire protection.
- Exposure to hazardous chemicals in concentrations equal to or greater than the Emergency Response Planning Guideline (ERPG) 2 levels.

a) – c) The proposed project will not create a significant hazard to the public or the environment through the routine transport, use, and disposal of hazardous materials, due to the fact that PAR 1146.2 does not require the transport, use, and disposal of hazardous materials. Further, based on the fact that the proposed rule amendments do not require the transport, use, and disposal of hazardous materials, PAR 1146.2 will not create a significant hazard to the public or environment through a reasonably foreseeable release of these materials into the environment.

d) Government Code §65962.5 typically refers to a list of facilities that may be subject to Resource Conservation and Recovery Act (RCRA) permits. Most facilities affected by PAR 1146.2 are not expected to be on this list, and would not typically handle hazardous materials or

generate large quantities of hazardous waste. Generally, the only waste generated from these facilities are used oils and lubricants from the operating equipment. Facilities affected by the proposed rule and on the Government Code §65962.5 list will continue to manage any and all hazardous materials/waste in accordance with federal, state and local regulations.

e) and f) The proposed project affects individual large water heater and small boiler equipment primarily at existing facilities/businesses and will not create any new impacts that would affect either public or private airport land use plans.

g) The proposed project is intended to further reduce NOx emissions limits for large water heaters, small boilers and process heaters. PAR 1146.2 will not impair the implementation of, or physically interfere with, adopted emergency response or evacuation plans.

h) and i) The proposed project applies to manufacturers, distributors, retailers, refurbishers, installers and operators of *new* natural gas-fired large (commercial) water heaters, small (industrial) boilers, and process heaters. For *existing* natural gas-fired large (commercial) water heaters, small (industrial) boilers, and process heaters, the rule requires owners and operators of units manufactured prior to January 1, 2000 to retrofit or replace the equipment to comply with the same NOx emission limits as required for new units. This rule does not require the construction of new buildings or structures, the demolition of any existing buildings or facilities, require any subsurface activities, the acquisition of any new land or the surrendering of existing land, or the modification of any existing land use designations or zoning ordinances. Therefore, PAR 1146.2 will not create any new impacts that would expose people or structures to wildland fires or increase fire hazards with flammable materials.

As a result, significant adverse hazards or hazardous waste impacts are not expected and will not be analyzed further in the Draft EA.

	Potentially Significant Impact	Less Than Significant Impact	No Impact
<b>IX. HYDROLOGY AND WATER QUALITY.</b>			
Would the project:			
a) Violate any water quality standards or waste discharge requirements?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g. the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Substantially alter the existing drainage pattern of the site or area, including through alteration of the course of a stream or river, in a manner that would result in substantial erosion or siltation on- or off-site?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>



- |    |   |                          |                          |                                     |
|----|---|--------------------------|--------------------------|-------------------------------------|
| d) | Substantially alter the existing drainage pattern of the site or area, including through alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner that would result in flooding on- or off-site? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| e) | Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?  | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| f) | Otherwise substantially degrade water quality?  | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| g) | Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?   | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| h) | Place within a 100-year flood hazard area structures which would impede or redirect flood flows?  | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| i) | Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?   | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| j) | Inundation by seiche, tsunami, or mudflow?  | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| k) | Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?  | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| l) | Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?   | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| m) | Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?  | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| n) | Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?   | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| o) | Require in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?                                   | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

## HYDROLOGY AND WATER QUALITY DISCUSSION:

### Significance Criteria

Potential impacts on water resources will be considered significant if any of the following criteria apply:

#### *Water Quality:*

- The project will cause degradation or depletion of ground water resources substantially affecting current or future uses.
- The project will cause the degradation of surface water substantially affecting current or future uses.
- The project will result in a violation of National Pollutant Discharge Elimination System (NPDES) permit requirements.
- The capacities of existing or proposed wastewater treatment facilities and the sanitary sewer system are not sufficient to meet the needs of the project.
- The project results in substantial increases in the area of impervious surfaces, such that interference with groundwater recharge efforts occurs.
- The project results in alterations to the course or flow of floodwaters.

#### *Water Demand:*

- The existing water supply does not have the capacity to meet the increased demands of the project, or the project would use a substantial amount of potable water.
- The project increases demand for water by more than five million gallons per day.

a), c) – f) and k) – o) PAR 1146.2 applies to manufacturers, distributors, retailers, refurbishers, installers and operators of new and existing natural gas-fired large (commercial) water heaters, small (industrial) boilers, and process heaters. This rule does not require the construction of new buildings or structures, the demolition of any existing buildings or facilities, require any subsurface activities, the acquisition of any new land or the surrendering of existing land, or the modification of any existing land use designations or zoning ordinances. The proposed amendments to Rule 1146.2 will further reduce NOx emissions limits for large water heaters, small boilers and process heaters. The businesses affected by this rule are located within urbanized areas typically designated industrial or commercial. PAR 1146.2 will not affect any existing water or wastewater processes thereby changing the quality or volume of current wastewater discharges because control equipment for affected units does not require water or generate wastewater. No construction of new water or wastewater treatment facilities or expansion of existing facilities is expected as a result of the implementation of PAR 1146.2. No runoff is expected as a result of the proposed amendments which could affect existing on-site or off-site drainage. Further, no regulations or limits set by the local sanitation district or the applicable Regional Water Quality Control Board will be exceeded.

b) PAR 1146.2 does not require the direct or indirect use of groundwater as a specified water source, or require any activities which would deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or the lowering of the local groundwater table.

g), h), i) and j) The proposed amendments to Rule 1146.2 do not include the construction of new housing or the relocation of existing homes within a 100-year flood hazard area. The intent of PAR 1146.2 is to reduce NOx emissions from large water heaters, small boilers and process heaters. As a result, the proposed project would not directly create significant risks from

flooding; expose people or structures to significant risk of loss, injury or death involving flooding; or increase existing risks, if any, of inundation by seiche, tsunami, or mudflow.

As a result, significant adverse hydrology and water quality impacts are not expected and will not be analyzed further in the Draft EA.

	Potentially Significant Impact	Less Than Significant Impact	No Impact
<b>X. LAND USE AND PLANNING.</b> Would the project:			
a) Physically divide an established community?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Conflict with any applicable habitat conservation or natural community conservation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

#### LAND USE AND PLANNING DISCUSSION:

##### Significance Criteria

- Land use and planning impacts will be considered significant if the project conflicts with the land use and zoning designations established by local jurisdictions.

a) – c) PAR 1146.2 applies to manufacturers, distributors, retailers, refurbishers, installers and operators of new and existing natural gas-fired large (commercial) water heaters, small (industrial) boilers, and process heaters. This rule does not require the construction of new buildings or structures, the demolition of any existing buildings or facilities, require any subsurface activities, the acquisition of any new land or the surrendering of existing land, or the modification of any existing land use designations or zoning ordinances. The proposed amendments to Rule 1146.2 will further reduce NOx emissions limits for large water heaters, small boilers and process heaters. The businesses affected by this rule are located within urbanized areas typically designated industrial or commercial.

Based upon the above, the proposed project will not divide an established community; conflict with any applicable land use plans, policies or regulations; or conflict with any applicable habitat conservation/natural community conservation plans.

As a result, significant adverse land use and planning impacts are not expected and will not be analyzed further in the Draft EA.

	Potentially Significant Impact	Less Than Significant Impact	No Impact
<b>XI. MINERAL RESOURCES.</b> Would the project:			
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

### MINERAL RESOURCES DISCUSSION:

#### Significance Criteria

Project-related impacts on mineral resources will be considered significant if any of the following conditions are met:

- The project would result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state.
- The proposed project results in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan.

a) and b) PAR 1146.2 applies to manufacturers, distributors, retailers, refurbishers, installers and operators of new and existing natural gas-fired large (commercial) water heaters, small (industrial) boilers, and process heaters. This rule does not require the construction of new buildings or structures, the demolition of any existing buildings or facilities, require any subsurface activities, the acquisition of any new land or the surrendering of existing land, or the modification of any existing land use designations or zoning ordinances. The proposed amendments to Rule 1146.2 will further reduce NOx emissions limits for large water heaters, small boilers and process heaters. The businesses affected by this rule are located within urbanized areas typically designated industrial or commercial.

Based upon the above, the proposed project will not result in the loss of availability of valuable mineral resources, substantially increase the demand for any mineral resource, or result in the loss of availability of a valuable mineral resource recovery site.

As a result, significant adverse mineral resource impacts are not expected and will not be analyzed further in the Draft EA.

	Potentially Significant Impact	Less Than Significant Impact	No Impact
<b>XII. NOISE.</b> Would the project result in:			
a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) For a project within the vicinity of a private airship, would the project expose people residing or working in the project area to excessive noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

## NOISE DISCUSSION:

### Significance Criteria

Impacts on noise will be considered significant if:

- Construction noise levels exceed local noise ordinances or, if the noise threshold is currently exceeded, project noise sources increase ambient noise levels by more than three decibels (dBA) at the site boundary. Construction noise levels will be considered significant if they exceed federal Occupational Safety and Health Administration (OSHA) noise standards for workers.
- The proposed project operational noise levels exceed any of the local noise ordinances at the site boundary or, if the noise threshold is currently exceeded, project noise sources increase ambient noise levels by more than three dBA at the site boundary.

a) - f) Noise is usually defined as sound that is undesirable because it interferes with speech communication and hearing, is intense enough to damage hearing, or is otherwise annoying (unwanted noise). Sound levels are measured on a logarithmic scale in decibels (dB). The universal measure for environmental sound is the "A" weighted sound level, dBA, which is the sound pressure level in decibels as measured on a sound level meter using the A-weighted filter

network. "A" scale weighting is a set of mathematical factors applied by the measuring instrument to shape the frequency content of the sound in a manner similar to the way the human ear responds to sounds.

The State Department of Aeronautics and the California Commission of Housing and Community Development have adopted the Community Noise Equivalent Level (CNEL). The CNEL is the adjusted noise exposure level for a 24-hour day and accounts for noise source, distance, duration, single event occurrence frequency, and time of day. The CNEL considers a weighted average noise level for the evening hours, from 7:00 p.m. to 10:00 p.m., increased by five dBA, and the late evening and morning hour noise levels from 10:00 p.m. to 7:00 a.m., increase by 10 dBA. The daytime noise levels are combined with these weighted levels and averaged to obtain a CNEL value. The adjustment accounts for the lower tolerance of people to noise during the evening and nighttime hours relative to the daytime hours.

Federal, state and local agencies regulate environmental and occupational, as well as, other aspects of noise. Federal and state agencies generally set noise standards for mobile sources, while regulation of stationary sources is left to local agencies. Local regulation of noise involves implementation of General Plan policies and Noise Ordinance standards, which are general principles intended to guide and influence development plans. Noise Ordinances set forth specific standards and procedures for addressing particular noise sources and activities. The Occupational Safety and Health Administration (OSHA) sets and enforces noise standards for worker safety.

The proposed project will not require the construction of any buildings, structures or other facilities which could potentially increase ambient noise levels, or cause changes in the daily operational ambient noise levels because affected equipment does not typically generate high volumes of noise. Therefore, the implementation of PAR 1146.2 will not increase ambient noise levels at the location of the affected businesses (e.g. manufacturers, distributors, retailers, refurbishers, installers and operators of new and existing natural gas-fired large (commercial) water heaters, small (industrial) boilers, and process heaters.

As a result, significant adverse noise impacts are not expected and will not be analyzed further in the Draft EA.

	Potentially Significant Impact	Less Than Significant Impact	No Impact
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**XIII. POPULATION AND HOUSING.** Would the project:

- |   |                          |                          |                                     |
|---|--------------------------|--------------------------|-------------------------------------|
| a) Induce substantial growth in an area either directly (for example, by proposing new homes and businesses) or indirectly (e.g. through extension of roads or other infrastructure)? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?   | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?   | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

**POPULATION AND HOUSING DISCUSSION:**

**Significance Criteria**

The impacts of the proposed project on population and housing will be considered significant if the following criteria are exceeded:

- The demand for temporary or permanent housing exceeds the existing supply.
- The proposed project produces additional population, housing or employment inconsistent with adopted plans either in terms of overall amount or location.

a) – c) PAR 1146.2 applies to manufacturers, distributors, retailers, refurbishers, installers and operators of new and existing natural gas-fired large (commercial) water heaters, small (industrial) boilers, and process heaters. This rule does not require the construction of new buildings or structures, the demolition of any existing buildings or facilities, require any subsurface activities, the acquisition of any new land or the surrendering of existing land, or the modification of any existing land use designations or zoning ordinances. The proposed amendments to Rule 1146.2 will further reduce NOx emissions limits for large water heaters, small boilers and process heaters. The businesses affected by this rule are located within urbanized areas typically designated industrial or commercial. The proposed project will not require any actions which will, either directly or indirectly, induce growth or affect the district’s population or population distribution.

Based upon the above, the proposed project is not expected to displace substantial numbers of existing housing necessitating the construction of replacement housing elsewhere, or displace substantial numbers of people necessitating the construction of replacement housing.

As a result, significant adverse population and housing impacts are not expected and will not be analyzed further in the Draft EA.

	<b>Potentially Significant Impact</b>	<b>Less Than Significant Impact</b>	<b>No Impact</b>
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**XIV. PUBLIC SERVICES.** Would the proposal result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered government facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the following public services:

a) Fire protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Police protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Schools?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Parks?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Other public facilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**PUBLIC SERVICES DISCUSSION:**

**Significance Criteria**

- Impacts on public services will be considered significant if the project results in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, or the need for new or physically altered government facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response time or other performance objectives.

a) – e) PAR 1146.2 applies to manufacturers, distributors, retailers, refurbishers, installers and operators of new and existing natural gas-fired large (commercial) water heaters, small (industrial) boilers, and process heaters. This rule does not require the construction of new buildings or structures, the demolition of any existing buildings or facilities, require any subsurface activities, the acquisition of any new land or the surrendering of existing land, or the modification of any existing land use designations or zoning ordinances. The proposed amendments to Rule 1146.2 will further reduce NOx emissions limits for large water heaters, small boilers and process heaters. The businesses affected by this rule are located within urbanized areas typically designated industrial or commercial.

The proposed project does not require any action which would alter and, thereby, adversely affect existing public services, or require an increase in governmental facilities or services to support the affected existing facilities. Current fire, police and emergency services are adequate to serve existing operations, and PAR 1146.2 will not result in the need for new or physically altered government facilities in order to maintain acceptable service ratios, response times, or other performance objectives.

As a result, significant adverse public services impacts are not expected and will not be analyzed further in the Draft EA.

	Potentially Significant Impact	Less Than Significant Impact	No Impact
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**XV. RECREATION.**

a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities that might have an adverse physical effect on the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**RECREATION DISCUSSION:**

**Significance Criteria**

The impacts to recreation will be considered significant if:

- The project results in an increased demand for neighborhood or regional parks or other recreational facilities.



- The project adversely affects existing recreational opportunities.

a) and b) The proposed project does not require any action which will promote or alter existing populations or densities in the district. There are no provisions of the proposed project that would directly or indirectly affect land use plans, policies or ordinances or regulations. No provisions of this proposed project would either directly, or indirectly, cause an increase in the district's population that could increase the use of neighborhood/regional parks or recreational facilities, thereby causing any accelerated deterioration. Further, the proposed project will not involve the use of recreational facilities or require the construction of new, or expansion of existing, recreational facilities to the detriment of the environment.

As a result, significant adverse recreation impacts are not expected and will not be analyzed further in the Draft EA.

	Potentially Significant Impact	Less Than Significant Impact	No Impact
<b>XVI. SOLID/HAZARDOUS WASTE.</b> Would the project:			
a) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Comply with federal, state, and local statutes and regulations related to solid and hazardous waste?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**SOLID/HAZARDOUS WASTE:**

**Significance Criteria**

The proposed project impacts on solid/hazardous waste will be considered significant if the following occur:

- The generation and disposal of hazardous and non-hazardous waste exceeds the capacity of designated landfills.

a) and b) PAR 1146.2 applies to manufacturers, distributors, retailers, refurbishers, installers and operators of new and existing natural gas-fired large (commercial) water heaters, small (industrial) boilers, and process heaters. This rule does not require the construction of new buildings or structures, the demolition of any existing buildings or facilities, require any subsurface activities, the acquisition of any new land or the surrendering of existing land, or the modification of any existing land use designations or zoning ordinances. The proposed amendments to Rule 1146.2 will further reduce NOx emissions limits for large water heaters, small boilers and process heaters. The businesses affected by this rule are located within urbanized areas typically designated industrial or commercial.

Although the current rule proposal deletes the retrofit requirements, the existing solid waste disposal generation at affected businesses will not be affected by the proposed rule amendments for the following reasons: (1) many units will be reaching the end of their useful life and would need to be replaced regardless of PAR 1146.2; (2) units with remaining useful life that must be replaced may be sold to facilities outside the SCAQMD; and (3) various components of existing units may have economic value and would likely be salvaged or recycled.

The SCAQMD is also considering an option to delay the retrofit requirements for affected existing units if the retrofit complies with the proposed new NOx emission limits. If the retrofit requirements are delayed, impacts as a result of replaced equipment would be eliminated, resulting in no solid waste impacts.

Consequently, no significant adverse impacts to landfill capacity or solid waste disposal are expected from PAR 1146.2. Further, PAR 1146.2 does not include or affect any requirements that would generate, store, transport or dispose of hazardous waste and, therefore, will not pose a hazardous waste impact.

As a result, significant adverse solid and hazardous waste impacts are not expected and will not be analyzed further in the Draft EA.

	Potentially Significant Impact	Less Than Significant Impact	No Impact
<b>XVII. TRANSPORTATION/TRAFFIC.</b> Would the project:			
a) Cause an increase in traffic which is substantial in relation to the existing traffic load and capacity of the street system (i.e., result in a substantial increase in either the number of vehicle trips, the volume to capacity ratio on roads, or congestion at intersections)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Exceed, either individually or cumulatively, a level of service standard established by the county congestion management agency for designated roads or highways?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Substantially increase hazards due to a design feature (e.g. sharp curves or dangerous intersections) or incompatible uses (e.g. farm equipment)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Result in inadequate emergency access?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Result in inadequate parking capacity?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g) Conflict with adopted policies, plans, or programs supporting alternative transportation (e.g. bus turnouts, bicycle racks)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

## **TRANSPORTATION/TRAFFIC:**

### **Significance Criteria**

The impacts on transportation/traffic will be considered significant if any of the following criteria apply:

- Peak period levels on major arterials are disrupted to a point where level of service (LOS) is reduced to D, E or F for more than one month.
- An intersection's volume to capacity ratio increase by 0.02 (two percent) or more when the LOS is already D, E or F.
- A major roadway is closed to all through traffic, and no alternate route is available.
- There is an increase in traffic (e.g., 350 heavy-duty truck round-trips per day) that is substantial in relation to the existing traffic load and capacity of the street system.
- The demand for parking facilities is substantially increased.
- Water borne, rail car or air traffic is substantially altered.
- Traffic hazards to motor vehicles, bicyclists or pedestrians are substantially increased.

a) – b) The proposed project is not expected to cause an increase in traffic that is substantial in relation to the existing traffic load and capacity of the street system, or exceed level of service standards surrounding the affected existing facilities. PAR 1146.2 applies to manufacturers, distributors, retailers, refurbishers, installers and operators of new and existing natural gas-fired large (commercial) water heaters, small (industrial) boilers, and process heaters. This rule does not require the construction of new buildings or structures, the demolition of any existing buildings or facilities, require any subsurface activities, the acquisition of any new land or the surrendering of existing land, or the modification of any existing land use designations or zoning ordinances. The proposed amendments to Rule 1146.2 will further reduce NO<sub>x</sub> emissions limits for large water heaters, small boilers and process heaters. The businesses affected by this rule are located within urbanized areas typically designated industrial or commercial.

c) The proposed project has no requirements that influence or affect air traffic patterns. Similarly, PAR 1146.2 does not require the construction of any new buildings or structures that could alter or affect air traffic patterns.

d) – g) The proposed project does not require or include any modifications to existing business locations which would necessitate the construction of roadways or thoroughfares that might include hazardous design features either onsite, or offsite; or necessitate incompatible vehicular uses. Further PAR 1146.2 does not require any changes to existing business locations which would impact emergency access, parking capacity, or conflict with alternative transportation policies, plans or programs already in place.

As a result, significant adverse transportation/traffic impacts are not expected and will not be analyzed further in the Draft EA.

	Potentially Significant Impact	Less Than Significant Impact	No Impact
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**XVIII. MANDATORY FINDINGS OF SIGNIFICANCE.**

- |  |                                     |                          |                                     |
|--|-------------------------------------|--------------------------|-------------------------------------|
| a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            |
| b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)  | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            |
| c) Does the project have environmental effects that will cause substantial adverse effects on human beings, either directly or indirectly?   | <input type="checkbox"/>            | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

**DISCUSSION OF MANDATORY FINDINGS OF SIGNIFICANCE:**

a) With the possible exceptions of air quality, the proposed project does not have the potential to adversely affect the environment, reduce or eliminate any plant or animal species or destroy historic records of the past. Over the long term, the proposed project is intended to further reduce NOx emissions limits for large water heaters, small boilers and process heaters. Affected businesses are typically located in commercial or industrial zoned areas that have already been greatly disturbed and currently do not support vegetative habitat, wildlife species, or historic resources. In addition, the project does not include the construction of any buildings, structures or facilities. Therefore, the proposed project will not adversely affect wildlife resources or eliminate important examples of the major periods of California history or prehistory.

b) The environmental checklist indicates that the proposed project has potentially significant adverse impacts on air quality due to emission reductions foregone. Potential cumulative air quality impacts will be evaluated in the Draft EA. No other environmental topic areas were identified as being significantly adversely affected by the proposed project. As a result, impacts to all environmental topic areas (excluding air quality) are not considered to be cumulatively considerable as defined by CEQA Guidelines §15065(c).

c) Based on the foregoing analyses, the proposed project is not expected to cause adverse effects on human beings. The potential air quality impacts from emissions foregone as a result of the proposed amendments to the current Rule 1146.2 will be evaluated in the Draft EA.



**APPENDIX A**

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**PROPOSED AMENDED RULE 1146.2**

(Adopted January 9, 1998)  
(PAR 1146.2 August 12, 2004)

**PARULE 1146.2. EMISSIONS OF OXIDES OF NITROGEN FROM LARGE  
WATER HEATERS AND SMALL BOILERS**

(a) Purpose and Applicability

The purpose of this rule is to reduce NOx emissions from natural gas-fired large (commercial) water heaters, small (industrial) boilers, and process heaters as defined in this rule. This rule applies to units that have a rated heat input starting at 75,000 Btu/hr up to and including 2,000,000 Btu/hr. Type 1 Units as defined in this rule are typically, but not exclusively, large water heaters or smaller-sized process heaters in the above range. Type 2 Units as defined in this rule are typically, but not exclusively, small boilers or larger-sized process heaters in this range. Beginning, January 1, 2000, the provisions of this rule are applicable to manufacturers, distributors, retailers, refurbishers, installers and operators of new units. Beginning, July 1, 2002, the provisions of this rule are also applicable to operators of existing Type 2 Units.

(b) Definitions

- (1) **BOILER OR STEAM GENERATOR** means any combustion equipment fired with liquid and/or gaseous and/or solid fossil fuel, used to produce steam or to heat water, and that is not used exclusively to produce electricity for sale. Boiler or Steam Generator does not include any waste heat recovery boiler that is used to recover sensible heat from the exhaust of a combustion turbine or any unfired waste heat recovery boiler that is used to recover sensible heat from the exhaust of any combustion equipment.
- (2) **BTU** means British thermal unit or units.
- (3) **CERTIFIED RETROFIT KIT** means any burner and ancillary controls or blowers that have been demonstrated to comply with the provisions of the rule, on a retrofit basis, on a particular model of unit.
- (4) **COMMERCIAL WATER HEATER** means a Type 2 Unit as defined in this rule.
- (5) **HEAT INPUT** means the higher heating value of the fuel to the unit measured as Btu/hr.
- (6) **HEAT OUTPUT** means the enthalpy of the working fluid output of the unit.



- (7) INDEPENDENT TESTING LABORATORY means a testing laboratory that meets the requirements of District Rule 304, subdivision (k) and is approved by the District to conduct certification testing under the Protocol.
- (8) MOBILE HOME WATER HEATER means a closed vessel manufactured exclusively for mobile home use in which water is heated by combustion of gaseous fuel and is withdrawn for use external to the vessel at pressures not exceeding 160 pounds per square inch gauge (psig), including the apparatus by which heat is generated and all controls and devices necessary to prevent water temperatures from exceeding 210°F (99°C).
- (9) NO<sub>x</sub> EMISSIONS means the sum of nitrogen oxide and nitrogen dioxide in the flue gas, collectively expressed as nitrogen dioxide.
- (10) PROCESS HEATER means any combustion equipment fired with liquid and/or gaseous and/or solid fossil fuel and which transfers heat from combustion gases to water or process streams. Process Heater does not include any kiln or oven used for annealing, drying, curing, baking, cooking, calcining, or vitrifying; or any unfired waste heat recovery heater that is used to recover sensible heat from the exhaust of any combustion equipment.
- (11) PROTOCOL means South Coast Air Quality Management District Protocol: Nitrogen Oxides Emissions Compliance Testing for Natural Gas-Fired Water Heaters and Small Boilers.
- (12) RATED HEAT INPUT CAPACITY means the gross heat input specified on the nameplate of the combustion device.
- (13) RECREATIONAL VEHICLE means any vehicle used for recreational purposes designed to include a water heater and licensed to be driven or moved on the highways of California.
- (14) REFURBISHER means anyone who reconditions a Type 1 Unit or Type 2 Unit and offers the unit for resale, for use in the District.
- (15) RESELLER means anyone who sells either retail, wholesale or on an individual basis Type 1 Units or Type 2 Units.
- (16) RESIDENTIAL means any structure which is designed for and used exclusively as a dwelling for not more than four families, and where such equipment is used by the owner or occupant of such a dwelling.
- (17) SMALL BOILER means a Type 2 Unit.

- (18) TYPE 1 UNIT means any water heater, boiler or process heater with a Rated Gross Heat Input from 75,000 BTU/hr up to and including 400,000 BTU/hr and manufactured on or after January 1, 2001.
- (19) TYPE 2 UNIT means any water heater, boiler or process heater with a Rated Heat Input greater than 400,000 BTU/hr up to and including 2,000,000 BTU/hr and manufactured on or after January 1, 2000.
- (20) THERM means 100,000 Btu.
- (21) UNIT means any boiler, steam generator, or process heater as defined in subparagraph (b)(1), (b)(3), (b)(10), (b)(17), (b)(18), (b)(19), or (b)(22).
- (22) WATER HEATER means a closed vessel other than a mobile home water heater in which water is heated by combustion of gaseous fuel and is withdrawn for use external to the vessel at pressures not exceeding 160 psig, including the apparatus by which heat is generated, and all controls and devices necessary to prevent water temperatures from exceeding 210°F (99°C).

(c) Requirements

- (1) On or after January 1, 2000, no person shall manufacture for use, offer for sale for use, in the District any new Type 2 Unit, unless the certified NOx emissions level is less than or equal to 30 ppm of NOx emissions (at 3% O<sub>2</sub>, dry) or 0.037 pound NOx per million Btu of heat input and no more than 400 ppm of carbon monoxide (at 3% O<sub>2</sub>, dry), as specified in subdivision (d).
- (2) On or after January 1, 2001, no person shall manufacture for use, offer for sale for use, in the District any new Type 1 Unit, unless the certified NOx emissions level is less than or equal to 40 nanograms of NOx (calculated as NO<sub>2</sub>) per joule (93 lb per billion Btu) of heat output or 55 ppm NOx emissions (at 3% O<sub>2</sub>, dry), determined according to subsection (d).
- (3) On or after January 1, 2007, no person shall manufacture for use, offer for sale for use, or install in the District any Type 2 Unit, unless the certified NOx emissions level is less than or equal to 20 ppm of NOx emissions (at 3% O<sub>2</sub>, dry) or 0.024 pounds of NOx per million Btu of heat input and no more than 400 ppm of carbon monoxide (at 3% O<sub>2</sub>, dry), as certified pursuant to subdivision (d).
- (4) On or after January 1, 2009, no person shall manufacture for use, offer for sale for use, or install in the District any Type 1 Unit, unless the certified

NOx emissions level is less than or equal to 20 nanograms of NOx (calculated as NO<sub>2</sub>) per joule (46 pound per billion Btu) of heat output or 30 ppm NOx emissions (at 3% O<sub>2</sub>, dry), as certified pursuant to subdivision (d).

(5) The owner or operator of units subject to this rule shall perform a tune-up for the equipment, at minimum, once per calendar year, beginning in year 2005, based upon the unit manufacturer's specified tune-up procedure. Records shall be maintained for three years verifying that the tune-ups have been performed and a copy of the tune-up procedures shall be kept on site. No tune-up is required during a calendar year for any unit that is not operated during that calendar year; this unit may be test fired to verify availability of the unit for its intended use but once the test firing is completed the unit shall be shutdown. Records of tune-ups and test firings shall be maintained for a minimum period of three years. All records shall be made accessible to District representatives upon request.

(6) The owner or operator shall operate units subject to this rule according to manufacturer's instructions and in compliance with the emission standards applicable on the date of manufacture or, if applicable, subdivision (e).

~~(3) — On or after July 1, 2002, no person shall operate in the District any unit with a rated heat input greater than 1,000,000 Btu/hr but less than or equal to 2,000,000 Btu/hr manufactured prior to January 1, 1992, which does not meet the emissions limits required by subparagraph (e)(1). Alternatively, a unit may be modified or demonstrated to meet the requirements of paragraph (e)(1) pursuant to the provisions of subdivision (e).~~

~~(4) — On or after January 1, 2005, no person shall operate in the District any unit with a rated heat input greater than 1,000,000 Btu/hr but less than or equal to 2,000,000 Btu/hr manufactured between 1992 and 1999, inclusive, which does not meet the emissions limits required by paragraph (e)(1). Alternatively, a unit may be modified or demonstrated to meet the requirements of paragraph (e)(1) pursuant to the provisions of subdivision (e).~~

~~(5) — On or after January 1, 2006, no person shall operate in the District any unit with a rated heat input greater than 400,000 Btu/hr but less than or equal to 1,000,000 Btu/hr manufactured prior to January 1, 2000, which does not meet the emissions limits required by subparagraph (e)(1). Alternatively, a unit may be modified or demonstrated to meet the requirements of paragraph (e)(1) pursuant to the provisions of subdivision (e).~~

(d) Certification

- (1) The manufacturer shall obtain confirmation from an independent testing laboratory prior to applying for certification that, each unit model or retrofit kit complies with the applicable requirements of subdivision (c). This confirmation shall be based upon emission tests of a randomly selected unit of each model, and the Protocol shall be adhered to during the confirmation testing of all units subject to this rule.
- (2) When applying for unit(s) certification, the manufacturer shall submit to the Executive Officer the following:
  - (A) A statement that the model is in compliance with subdivision (c). The statement shall be signed and dated, and shall attest to the accuracy of all statements;
  - (B) General Information
    - (i) Name and address of manufacturer,
    - (ii) Brand name, and
    - (iii) Model number, as it appears on the unit rating plate;
  - (C) A description of each model being certified; and
  - (D) A source test report verifying compliance with the emission limits in subdivision (c) for each model to be certified. The source test report shall be prepared by the confirming independent testing laboratory and shall contain all of the elements identified in Section 10 of the Protocol for each unit tested. The source test shall have been conducted no more than ninety (90) days prior to the date of submittal to the Executive Officer.
- (3) When applying for unit certification, the manufacturer shall submit the items identified in paragraph (d)(2) no more than ninety (90) days after the date of the source test identified in subparagraph (d)(2)(D) and at least 120 days prior to the date of the proposed sale of the units.
- (4) The Executive Officer shall certify a unit model which complies with the provisions of subdivision (c) and of paragraphs (d)(1), (d)(2), and (d)(3).
- (5) Certification status shall be valid for three years from the date of approval by the Executive Officer. After the third year, recertification may be required according to the requirements of paragraphs (d)(1) and (d)(2).

(e) Modification (Retrofit) Provisions

Any unit ~~manufactured prior to January 1, 2000,~~ may be modified or demonstrated to meet the requirements of paragraph (c)(1), (c)(2), (c)(3), or (c)(4), ~~or (e)(5)~~ provided:

- (1) The unit is certified pursuant to subdivision (d); or
- (2) A certified retrofit kit has been installed; or
- (3) A copy of a source test report conducted by an independent third party, demonstrating the unit complies with the emission limits at low and high fire, shall be maintained on-site ~~on and after July 1, 2002, January 1, 2005,~~ or January 1, 2006 as applicable; and
- (4) The source test report clearly specifies the emissions limit of the unit in parts per million or pounds of NO<sub>x</sub> per million Btu of heat input. The source test report must identify that the source test was conducted pursuant to a District approved protocol; and
- (5) The source test report shall be maintained on-site at the facility where the unit is being operated and made available to the Executive Officer, at all times, upon request, as long as the unit is being operated. The model and serial numbers of the specified unit shall clearly be indicated on the source test report.

(f) Identification of Compliant Units

(1) Newly Manufactured Units

The manufacturer shall display the model number of the unit complying with subdivision (c) on the shipping carton and rating plate. The manufacturer shall also display the certification status on the shipping carton and on the unit.

(2) Certified Retrofit Kits

The manufacturer shall display the model number of the retrofit kit and manufacturer and model of applicable units on the shipping carton and in a plainly visible portion of the retrofit kit.

(g) Enforcement

The Executive Officer may periodically inspect distributors, retailers, and installers of units located in the District, and conduct such tests as are deemed necessary to ensure compliance with subdivision (c).

(h) Exemptions

- (1) The provisions of this rule shall not apply to:

(A) Units used in recreational vehicles.

(B) Units used in mobile homes.

(C) Units located at RECLAIM facilities.

(2) The provisions of paragraphs ~~(e)(3), (e)(4), and (c)(5)~~ shall not apply to:

~~(A) — A any residential unit.~~

~~(B) — Units that are demonstrated to use less than 9,000 therms of natural gas during every calendar year beginning with:~~

~~(i) — 2001 for units rated greater than 1,000,000 Btu/hr, but less than or equal to 2,000,000 Btu/hr; and~~

~~(ii) — 2005 for units rated greater than 400,000 Btu/hr, but less than or equal to 1,000,000 Btu/hr.~~

~~(i) — Implementation Study~~

~~Staff will study the implementation of the rule, in cooperation with the public, industry, and trade associations, and report back to the Governing Board at least 18 months prior to the implementation date for the following categories: new units (75,000 to 400,000 Btu/hr), retrofit units (400,000 to 1,000,000 Btu/hr), and retrofit units (1,000,000 to 2,000,000 Btu/hr); the study will evaluate issues including, but not limited to, the following:~~

~~(1) — Review of available and potential low-NO<sub>x</sub> boilers and burners;~~

~~(2) — Cost differential between standard units and low-NO<sub>x</sub> units;~~

~~(3) — Potential fuel savings from low-NO<sub>x</sub> units;~~

~~(4) — Certification and related standards, including safety;~~

~~(5) — Emissions for a typical unit;~~

~~(6) — Appropriate fuel use exemption;~~

~~(7) — Timing of the proposed retrofit requirements; and~~

~~(8) — Cost effectiveness and cost impacts on selected industries and small businesses.~~