



GOVERNING BOARD

Amy Shuklian, Chair
Supervisor, Tulare County

Bobby Macaulay, Vice Chair
Supervisor, Madera County

Vito Chiesa
Supervisor, Stanislaus County

David Couch
Supervisor, Kern County

Rosa Escutia-Braaton
Councilmember, City of Modesto

Deborah Lewis
Mayor Pro Tem, City of Los Banos

Buddy Mendes
Supervisor, Fresno County

Tania Pacheco-Werner, PhD.
Appointed by Governor

Lloyd Pareira
Supervisor, Merced County

Gilberto Reyna
Mayor Pro Tem, City of Wasco

Robert Rickman
Supervisor, San Joaquin County

Rusty Robinson
Supervisor, Kings County

Jose Rodriguez
Councilmember, City of Madera

Alexander C. Sherriffs, M.D.
Appointed by Governor

Liz Wynn
Vice Mayor, City of Visalia

Samir Sheikh
Executive Director
Air Pollution Control Officer

Northern Region Office
4800 Enterprise Way
Modesto, CA 95356-8718
(209) 557-6400 • FAX (209) 557-6475

Central Region Office
1990 East Gettysburg Avenue
Fresno, CA 93726-0244
(559) 230-6000 • FAX (559) 230-6061

Southern Region Office
34946 Flyover Court
Bakersfield, CA 93308-9725
(661) 392-5500 • FAX (661) 392-5585

DATE: September 10, 2026

TO: SJVUAPCD Governing Board



FROM: Samir Sheikh, Executive Director/APCO
Project Coordinators: Jonathan Klassen, Todd
DeYoung, Jaime Holt, Jason Lawler, Tim
Franquist

RE: **ITEM NUMBER 10: RECEIVE UPDATE ON
RESIDENTIAL WOODSMOKE REDUCTION
STRATEGY AND APPROVE ENHANCEMENTS
TO FIREPLACE AND WOODSTOVE
CHANGEOUT INCENTIVE PROGRAM**

RECOMMENDATIONS:

1. Receive update on implementation of District's comprehensive residential woodsmoke reduction strategy.
2. Approve proposed enhancements to the Fireplace and Woodstove Changeout Program to coincide with Board-approved actions under Rule 4901 scheduled for implementation in the upcoming 2026-27 winter season.
3. Authorize the Executive Director/APCO to make administrative changes to the program as necessary to ensure successful implementation of program funding.

BACKGROUND:

Given the significant localized health impacts associated with residential woodsmoke, your Board has shown great leadership in addressing woodsmoke emissions from residential fireplaces and wood burning devices. Today, the District has the most stringent and effective residential woodsmoke reduction strategy in the nation. The District's 2019 amendments to Rule 4901 (Wood Burning Fireplaces and Wood Burning Heaters), in conjunction with the District's

Fireplace and Woodstove Change-out incentive program and robust public outreach efforts, have proven to be extremely effective in advancing the District's objectives to attain the federal PM2.5 standards and protect public health. A combined regulatory and incentive-based strategy is designed to improve public health by reducing toxic woodsmoke emissions in Valley neighborhoods during the peak PM2.5 winter season (November through February).

In light of recent EPA planning actions, the contingency measure within Rule 4901 has been triggered, and will become effective during the 2026-2027 winter season, which will result in additional wood burning curtailment days in the current non-hot-spot counties. As a result of this change, updates to the *Fireplace and Woodstove Change-out* incentive program are being recommended, as well as additional enforcement and outreach efforts. The purpose of this item is to provide a summary of upcoming changes to this program and to seek approval of recommended updates to the incentive program.

DISCUSSION:

Since 1993, the District has continually enhanced its residential woodsmoke reduction strategy to achieve additional emissions reductions. Over the years, Rule 4901 has been amended a number of times to strengthen requirements as new national air quality standards have been established, and as subsequent air quality improvement strategies have been developed. These amendments have included lowering the wood burning curtailment thresholds, establishing more stringent requirements for visible emissions and real property transfer, and integrating a contingency measure for the federal PM2.5 standards.

Rule 4901 has particular significance under the District's Governing Board adopted Health-Risk Reduction Strategy, under which the District prioritizes control strategies that expedite attainment of federal air quality standards and provide the greatest public health benefits to Valley residents. The District's comprehensive woodsmoke reduction strategy is essential to achieving the District's air quality goals by focusing on reducing harmful species of PM2.5 where and when those reductions are most needed in Valley communities on winter days when PM2.5 is most likely to be formed. By decreasing emissions from residential wood burning, Rule 4901 decreases directly-emitted PM2.5 and significantly reduces the health effects associated with woodsmoke.

Air Quality Planning and District's PM2.5 Contingency Plan

Under the federal Clean Air Act (CAA) and consistent with U.S. Environmental Protection Agency (EPA) guidance, attainment plans for fine particulate matter (PM2.5) must include contingency measures that provide for additional emission reductions if the area fails to attain an air quality standard by the applicable deadline, meet a quantitative

milestone, submit a quantitative milestone report, or show reasonable further progress (RFP) toward attainment of the standard. These measures are to be adopted and held in reserve to be automatically triggered under these scenarios. In regions such as the San Joaquin Valley (Valley) with mature air quality programs, contingency measures are inherently difficult to identify, particularly in light of several adverse court interpretations associated with recent EPA actions that have only made this requirement more stringent over time.

To address contingency measure requirements for the 1997, 2006, and 2012 PM_{2.5} standards, the District and CARB developed the PM_{2.5} Contingency Measure SIP Revision and corresponding amendments to Rule 4901. On May 18, 2023, your Board adopted the PM_{2.5} Contingency Measure SIP Revision and amended Rule 4901 to include a new contingency provision establishing progressively more stringent residential wood burning curtailment thresholds that would automatically apply if triggered under the federal Clean Air Act. The District and CARB subsequently submitted the SIP Revision and Rule 4901 amendments to EPA on June 8, 2023. On October 4, 2024, EPA took final action to approve the PM_{2.5} Contingency Measure SIP Revision and amendments to District Rule 4901, thereby incorporating the new contingency provisions into the federally approved SIP.

The contingency measure provision within Rule 4901 establishes a sequence of increasingly stringent contingency curtailment thresholds for all counties, conditioned upon EPA's final approval of this provision meeting contingency measure requirements under the federal Clean Air Act in the State Implementation Plan for the San Joaquin Valley for the applicable PM_{2.5} National Ambient Air Quality Standard (NAAQS). This contingency provision would be triggered upon 60 days after the issuance of a final determination by EPA, pursuant to 40 CFR §51.1014(a), that the District has failed to meet any of the following elements for any of the PM_{2.5} NAAQS:

1. Meet any RFP requirement;
2. Meet any quantitative milestone in an approved attainment plan;
3. Submit a quantitative milestone report; or
4. Attain the applicable PM_{2.5} NAAQS by the applicable attainment date.

The following table depicts the sequence of increasingly stringent contingency curtailment thresholds to be enforced following each contingency trigger.

Table 1: District Contingency Curtailment Thresholds

Contingency Concept	Hot-Spot County (µg/m³)		Non Hot-Spot County (µg/m³)	
	Level 1	Level 2	Level 1	Level 2
Current Requirements	12	35	20	65
Contingency Measure 1	12	35	12	35
Contingency Measure 2	11	35	11	35

Hot-spot counties: Madera, Fresno, Kern

Non Hot-spot counties: San Joaquin, Stanislaus, Merced, Kings, Tulare

With the contingency measure within Rule 4901 established and approved by EPA, after a determination by EPA that any of the elements described above occurred, the District would then take steps to lower the curtailment thresholds for the affected counties, as represented in the table above.

Rule 4901 Contingency Triggered and Implications

Due to recent EPA actions outlined below, the initial contingency within Rule 4901 has been triggered, and the District is taking steps to position its Residential Woodsmoke Reduction Program to support this change. The following summary outlines what actions led to the initial Rule 4901 contingency being triggered.

- On June 30, 2020, EPA approved portions of the *2018 PM2.5 Plan* and the San Joaquin Valley Supplement to the 2016 State Strategy for the 2006 24-hour PM2.5 standard and granted a five-year extension of the Serious area attainment date, from December 31, 2019, to December 31, 2024.
- On April 22, 2022, in *Medical Advocates for Healthy Air v. EPA*, the Ninth Circuit upheld EPA's approval of the District's control measure evaluation, finding that the District's regulations satisfied the Clean Air Act's Most Stringent Measures requirements. The court, however, vacated EPA's approval of CARB's aggregate emission reduction commitment based on concerns regarding whether sufficient funding had been demonstrated to support the State's incentive-based measures and remanded the issue to EPA for further consideration.
- On June 11, 2026, EPA denied the extension request stating it had erred in its original approval and determined that the Valley failed to attain the 2006 24-hour PM2.5 standard by the original December 31, 2019, attainment date. As a consequence of this action, Contingency Measure 1 included in District Rule 4901 was automatically triggered, and as a result, the non-hot spot counties of San Joaquin, Stanislaus, Merced, Kings, and Tulare will adopt the same curtailment thresholds as the hot-spot counties of Madera, Fresno, and Kern (Level One curtailment threshold of 12 $\mu\text{g}/\text{m}^3$ and a Level Two curtailment threshold of 35 $\mu\text{g}/\text{m}^3$).

Due to the triggering of the Rule 4901 contingency requirements, the counties of San Joaquin, Stanislaus, Merced, Kings, and Tulare will have an increase in the number of days with wood burning restrictions during the winter season. The following table estimates the projected increase in curtailment days due to the triggering of enhanced curtailment levels under the Board-adopted contingency requirements. Note that no increase is projected in the counties of Madera, Fresno, and Kern since their thresholds remain the same. The projected additional curtailments are calculated using a 3-year

average of District air quality data from 2023-24 through 2025-26 winter seasons and is conservative as air quality continues to improve into the future.

Table 2: Projected Curtailments due to Contingency Trigger (Days)

County	Level 1 Curtailments		Level 2 Curtailments	
	Current	Projected	Current	Projected
San Joaquin	42	68	0	4
Stanislaus	44	65	0	5
Merced	35	63	0	2
Madera	69	69	6	6
Fresno	76	76	21	21
Kings	51	78	0	8
Tulare	50	76	1	6
Kern	75	75	23	23

*Rule 4901 winter season includes 120 days over the four months of November through February.

Due to the anticipated increase in curtailment days across the counties of San Joaquin, Stanislaus, Merced, Kings, and Tulare, an increase in field surveillance on curtailment days in these counties will be needed to respond to potential violations of wood burning restrictions, including evening and weekend coverage. Additional resource needs associated with the implementation of the contingency requirements are accounted for in the District's 2026-27 Budget.

Proposed Updates to Fireplace and Woodstove Changeout Incentive Program

As an important part of the District's multifaceted Residential Woodsmoke Reduction Program, the District's *Fireplace and Woodstove Change-Out Program* plays a key role in reducing emissions from residential wood burning. Since 2006, the *Fireplace and Woodstove Change-Out Program* has helped Valley residents overcome the financial obstacles in purchasing cleaner alternatives by providing incentives to replace wood burning devices with natural gas or EPA certified wood or pellet devices. Since inception, the program has provided more than \$72 million directly to Valley residents to replace more than 32,500 wood burning devices with cleaner devices. The District has allocated \$10.7 million to this program in the 2026-27 Budget.

In 2019, your Board approved amendments to the District's Residential Wood Burning Reduction Strategy creating more stringent wood burning curtailment requirements in Hot Spot counties (Madera, Fresno, and Kern). As part of these updates, the incentive levels for natural gas and electric devices were increased while also removing the option to purchase certified wood and pellet stove devices for residents with access to natural gas. As residents of San Joaquin, Stanislaus, Merced, Kings and Tulare counties were not subject to the more stringent wood burning curtailment requirements, the incentive levels for these areas remained at the previously established levels and device types. The current funding amounts and eligibility are outlined in the table below.

Table 3: Current Incentives for Fireplace and Woodstove Change-Out Program

Access to Natural Gas	Location of Old Device	Eligible New Device Type	Incentive Level
Residence <u>WITH</u> access to piped natural gas	Hot Spot Counties Madera, Fresno, or the Valley Air Basin portion of Kern County, or AB 617 Stockton Community	Natural Gas Insert/Freestanding Stove	Up to \$3,500* + \$650 for eligible installation costs
		Electric Heat Pump	Up to \$5,000*
	Kings, Merced, San Joaquin, Stanislaus, or Tulare County	Natural Gas insert/Freestanding stove	Up to \$2,000 + \$650 for eligible installation costs
		Electric Heat Pump	Up to \$3,500
		Low-income	Additional \$1,500 for qualified applicants
Residence <u>WITHOUT</u> access to piped natural gas	Fresno, Kings, Madera, Merced, San Joaquin, Stanislaus, Tulare or the Valley Air Basin portion of Kern County	Natural Gas insert/Freestanding stove	Up to \$2,000 + \$650 for eligible installation costs
		Certified wood or pellet insert/Freestanding stove	Up to \$1,000
		Electric Heat Pump	Up to \$3,500
		Low-income	Additional \$1,500 for qualified applicants
Fireplace Decommissioning (Funding cannot be combined with replacement options)			Up to \$750

Proposed Enhancements to Incentive Levels

In support of the upcoming transition to enhanced curtailment levels under the Board-adopted Rule 4901 contingency measure, District staff is also recommending enhancements to the incentives available through the *Fireplace and Woodstove Change-Out Program*. With all counties within the District's jurisdiction now subject to the same curtailment thresholds, the table below reflects the proposed increased incentive levels for the counties now subject to the lower curtailment levels, consistent

with the hot-spot counties. These proposed enhancements were discussed with participating program retailers and received widespread support, reflecting broad stakeholder agreement that the changes will improve program implementation and participation, and ensure equity across all Valley counties.

Table 4: Proposed Incentives for Fireplace and Woodstove Change-Out Program

Access to Natural Gas	Eligible New Device Type	Incentive Level
Residence With Access to Piped Natural Gas	Natural Gas Insert/Freestanding Stove	Up to \$3,500 for unit + \$650 for eligible installation costs
	Electric Heat Pump	Up to \$5,000
Residence Without Access to Piped Natural Gas	Natural Gas insert/freestanding stove	Up to \$2,000 for unit + \$650 for eligible installation costs
	Electric Heat Pump	Up to \$3,500
	Certified wood or pellet device/freestanding stove	Up to \$1,000 (Additional \$1,500 for qualified Low-Income applicants)
Fireplace Decommissioning (Funding cannot be combined with replacement options)		Up to \$750

If approved by your Board, District staff will work closely with program applicants and participating retailers to incorporate these updated incentive levels into the program in advance of the upcoming curtailment season. Additionally, staff will ensure that *Fireplace and Woodstove Change-Out Program* outreach materials incorporate updated incentive levels and device options. District staff will closely monitor the activity and success of the program over this next year, and return to your Board with additional proposed changes as needed.

Enhancements to Outreach Program

Public education and outreach have long been a critical component of the District's comprehensive Residential Woodsmoke Reduction Strategy, helping Valley residents understand daily wood-burning requirements, the public health impacts associated with residential woodsmoke, and the availability of financial incentives to transition to cleaner heating alternatives. With the upcoming implementation of more stringent curtailment thresholds in San Joaquin, Stanislaus, Merced, Kings and Tulare counties, enhanced outreach will be particularly important to ensure residents are aware of and prepared for the changes prior to the 2026-2027 winter season.

In advance of the winter season, staff will implement an expanded bilingual public education campaign focused on increasing awareness of the new wood-burning requirements, particularly in communities that will experience an increase in the number

of expected curtailment days. Outreach will clearly communicate when and where wood burning is prohibited, how residents can access daily wood-burning status information, and the importance of complying with curtailments to reduce neighborhood-level exposure to harmful woodsmoke and protect public health.

The enhanced outreach strategy will utilize a broad mix of communication channels, including paid advertising, digital and social media, traditional media outreach, the District's website and email communications, community partnerships, and direct outreach to residents and other stakeholders. Staff will also work with local governments, community organizations, participating retailers, and other Valley partners to amplify information and help ensure residents in all counties understand the rule.

Importantly, outreach regarding the more stringent requirements will be closely coordinated with promotion of the enhanced *Fireplace and Woodstove Change-Out Program*. Communications will emphasize the increased incentives and cleaner heating options available to residents throughout the Valley, providing households that may be affected by additional curtailment days with information and financial assistance to transition away from wood burning. This coordinated approach will allow the District to pair increased awareness of regulatory requirements with practical solutions that help residents comply while supporting continued reductions in residential woodsmoke emissions.

Staff will closely monitor campaign reach, public inquiries, program participation, and other available indicators throughout the winter season and will adjust outreach strategies as appropriate to maximize public awareness and participation.

FISCAL IMPACT:

The District's 2026-2027 Budget has sufficient appropriations to cover the recommended enhancements to the *Fireplace and Woodstove Changeout* incentive program. Staff will return to your Board for consideration of any additional adjustments to the program, should they be needed.