# Public Workshop for Potential Amendments to Rule 4905 (Natural Gas-Fired, Fan-Type Central Furnaces)

February 13, 2024

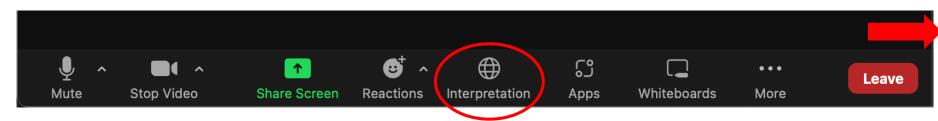
webcast@valleyair.org

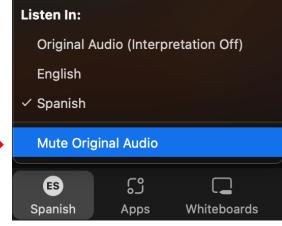


### How to Listen to the Webinar in Spanish Cómo Escuchar la Interpretación Español

#### En Una Computadora

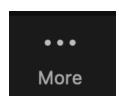
- 1. En los controles de la reunión o el seminario web, seleccione el **icono de interpretación**, que parece a un mundo en la parte debajo de la pantalla.
- 2. Seleccione español y silencie el audio original.





#### En Un Teléfono o Tableta

1. Seleccione los tres puntos para ver más opciones, seleccione interpretación y siga las mismas instrucciones de arriba.



#### <u>Para Hacer una Pregunta o un Comentario</u>

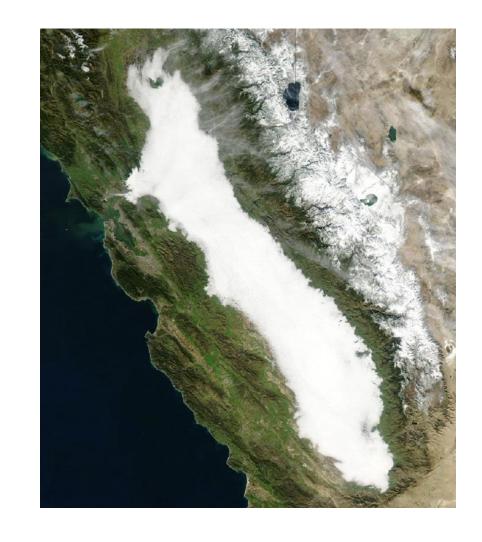
1. Seleccione el icono de reacciones para levantar su mano





# Valley's Air Quality Challenges

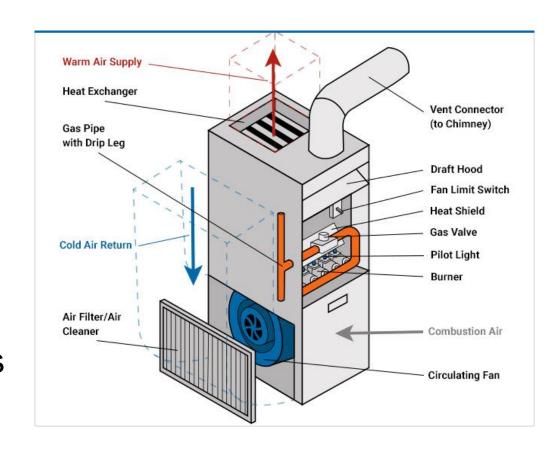
- Valley's challenges in meeting federal air quality standards unmatched due to unique geography, meteorology, and topography
- Valley designated as "Extreme" non-attainment of the 8-hour Ozone National Ambient Air Quality Standards; "Serious" non-attainment of federal standards for fine particulate matter (PM2.5)
  - Majority of NOx emissions from mobile sources
  - NOx reductions are a key part of District's ozone and PM2.5 attainment strategies
  - District Rule 4905 (Natural Gas-Fired, Fan-Type Central Furnaces) established to reduce NOx emissions from furnaces in the Valley





## Natural Gas-Fired, Fan-Type Central Furnaces

- Natural-gas furnaces are used to provide heat to residential/commercial properties
- Natural-gas fuel is burned to create heat for distribution through the home or commercial building
  - Furnaces create NOx emissions, which can contribute to ozone and PM formation
- District Rule 4905 requires NOx emissions limits on furnace units





## Rule 4905 Requirements

- Adopted in 2005 and amended several times, Rule 4905 is a point-ofsale rule that limits NOx emissions from natural gas-fired, fan-type central furnaces
- Due to air quality challenges, in 2014/2015, the District and South Coast AQMD amended respective rules to require more stringent emissions limits of 14 ng/J of NOx
  - Some manufacturers raised concerns regarding whether technology would be ready by compliance deadlines
  - Due to concerns raised, amendments allowed the sale of non-compliant units during the initial implementation period in exchange for payment of emissions fee for each non-compliant unit sold
    - Fee amount was set to disincentivize the sale of non-compliant units
    - Necessary to ensure adequate supply for expected demand for new units in Valley
    - Helped minimize unfair competitive disadvantage for manufacturers that provided compliant units in the Valley



#### **Emissions Fee End Dates**

Emissions Fee Option	
Furnace Category	Fee End Date
Condensing Units	September 30, 2019 <b>√</b>
Non-condensing Units	September 30, 2019 <b>√</b>
Weatherized Units	September 30, 2021 <b>√</b>
Manufactured Homes Units	September 30, 2023

- Emissions fee period has ended for all size and unit types
- Manufacturers have been successful in developing furnace technologies that meet 14 ng/J NOx limit for all unit types except for manufactured home furnaces
- To address lack of available compliant units, on Sept 1, 2023, South Coast amended analogous rule to extend mitigation fee option for manufactured homes to Sept 30, 2025



### **Current Challenges to Furnace Manufacturers**

- Manufactured home furnaces only developed/sold by two manufacturers
- Design of manufactured home furnaces is significantly different from ultralow NOx furnaces available for other structures
- New units subject to standards set by U.S. Dept. of Housing and Urban Development and U.S. Dept. of Energy
- Manufacturers prioritizing zero-emission technologies over development of ultra-low NOx technologies
  - CARB proposed statewide zero-emission standards for building appliances beginning 2030
  - Valley and other air districts evaluating feasibility of zero-emission standards
- District continues to work closely with South Coast AQMD to address concerns raised by furnace manufacturers

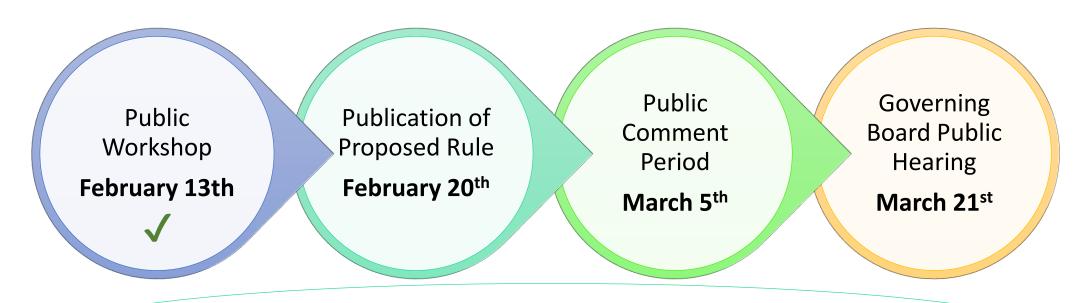


#### Rule 4905 Amendments Under Consideration

- Proposed amendments would extend emissions fee period for all size range manufactured home furnaces to September 30, 2025
  - Would provide time necessary for compliant units to be developed and made commercially available
  - Would provide for continued availability of furnaces to affordable housing market to address heating needs while new technologies are developed
  - No proposed change to the emissions fee amount
- New language to clarify reporting and payment requirements
- Extension consistent with South Coast AQMD, would provide for regulatory consistency in California
- Proposed amendments would not have significant impact on NOx emission reductions continuing to be achieved through Rule 4905



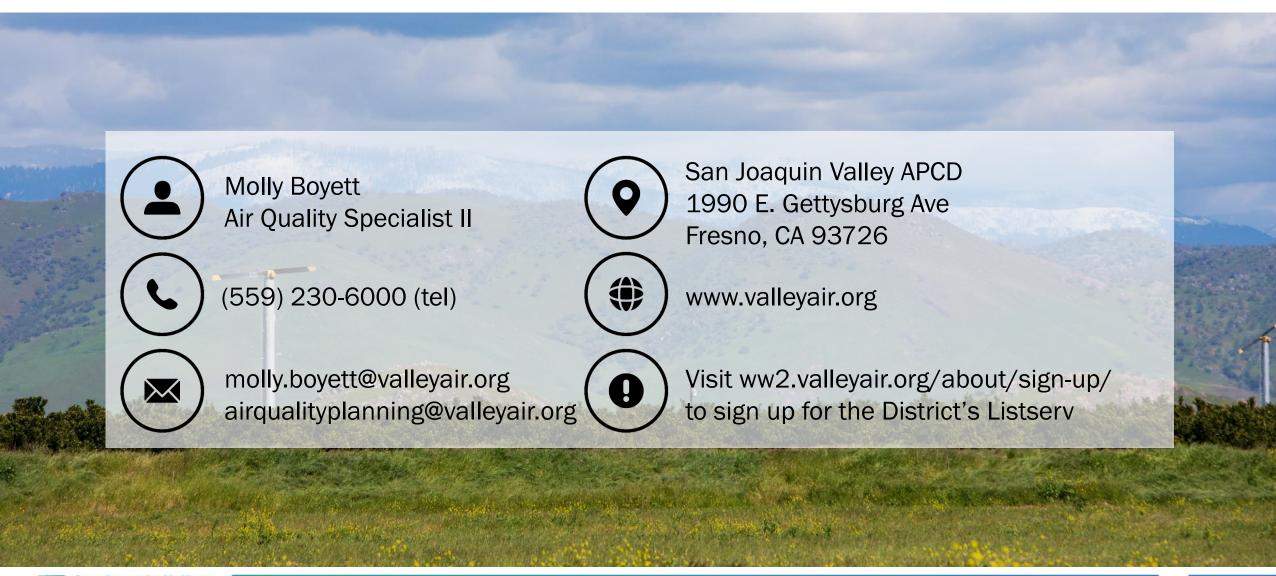
# Next Steps: Public Engagement Process for Rule 4905 Amendment



Public Participation and Comment Invited throughout Process



#### **Contact and Resources**



## **Comments/Questions**

webcast@valleyair.org

