

South Coast Air Quality Management District  
Notice of Public Workshop

**PROPOSED AMENDED RULE 1146.2 –  
CONTROL OF OXIDES OF NITROGEN FROM LARGE WATER HEATERS, SMALL BOILERS  
AND PROCESS HEATERS**

Wednesday February 7, 2024  
9:00 a.m.

Join Zoom Meeting - from PC or Laptop:  
<https://scaqmd.zoom.us/j/96893878030>  
Zoom Webinar ID: 968 9387 8030 (applies to all)  
Teleconference Dial In +1 669 900 6833  
One tap mobile +16699006833, 97271436016#

*(Please note if the Zoom meeting link provided does not work, copy the link into web browser, or directly enter the meeting ID into the Zoom web or mobile application)*

The Public Workshop will be conducted via video conferencing (Zoom) which can be accessed via personal computer or smart phone. Alternatively, stakeholders can phone-in to participate. We understand that this is not the same as an in-person public meeting; however, staff will take the time to listen to comments from all stakeholders. You are invited to attend the meeting electronically through Zoom. Instructions on how to participate can be found at the top of this notice.

***Purpose of This Meeting***

The South Coast Air Quality Management District (South Coast AQMD) has scheduled a Public Workshop for February 7, 2024, to present and solicit information and suggestions from the public on Proposed Amended Rule 1146.2 – Control of Oxides of Nitrogen from Large Water Heaters, Small Boilers and Process Heaters (PAR 1146.2) which is scheduled for a Public Hearing before the South Coast AQMD Governing Board on April 5, 2024 (subject to change).

***Background***

Rule 1146.2 establishes oxides of nitrogen (NO<sub>x</sub>) limits for large water heaters, small boilers, and process heaters less than or equal to two million British thermal units (Btu) per hour, excluding gas-fired tank type water heaters less than 75,000 Btu/hr heat input which are regulated by Rule 1121 – Control of Nitrogen Oxides from Residential-Type, Natural Gas-Fired Water Heaters. The provisions of Rule 1146.2 are applicable to manufacturers, distributors, retailers, installers, and operators. Rule 1146.2 was originally adopted in 1998 and the latest amendment to lower NO<sub>x</sub> emission limits occurred in 2006.

The 2022 Air Quality Management Plan (AQMP) included Control Measure C-CMB-01 – Emission Reductions from Replacement with Zero Emission or Low NO<sub>x</sub> Appliances – Commercial Water Heating which committed to reducing NO<sub>x</sub> from commercial building water heating sources that are subject to Rule 1146.2 to help achieve state and federal ozone air quality standards.

***Objective of Proposed Amended Rule***

The objective of PAR 1146.2 is to lower emission limits for large water heaters, small boilers, and process heaters. Based on a comprehensive Best Available Retrofit Control Technology (BARCT) assessment, which included a technical feasibility and cost-effectiveness analysis, PAR 1146.2 proposes to divide the applicable large water heaters, small boilers, and process heaters into six categories and require zero-emission (0 parts per million by volume) limits for new installations based on future effective dates depending on the commercial availability of zero-emission technologies. The zero-emission compliance dates are further differentiated for units installed in new or existing buildings. PAR 1146.2 also proposes zero-emission limits for existing units that will reach the end of unit useful life after the zero-emission compliance dates, with an exemption for units used for residential and multifamily structures. In addition, PAR 1146.2 clarifies and updates rule language, restructures the rule, and removes obsolete language. PAR 1146.2 will apply to approximately 773,000 units, and at full implementation, a potential NO<sub>x</sub> emission reduction of 8.02 ton per day (tpd) is expected.

**California Environmental Quality Act**

Pursuant to the California Environmental Quality Act (CEQA) and South Coast AQMD’s certified regulatory program (Public Resources Code Section 21080.5, CEQA Guidelines Section 15251(l) and South Coast AQMD Rule 110), the South Coast AQMD, as lead agency, is currently reviewing the proposed project (PAR 1146.2) to determine if it will result in any potential adverse environmental impacts. Appropriate CEQA documentation will be prepared based on the analysis.

**Available Supporting Documents**

The following supporting documents will be available by no later than January 19, 2024:

- Preliminary Draft PAR 1146.2
- Preliminary Draft Staff Report for PAR 1146.2

**To Obtain Copies of the Above Documents**

Copies of the Preliminary Draft PAR 1146.2 and the Preliminary Draft Staff Report will be available by no later than January 19, 2024, and may be obtained from:

Derrick Alatorre  
 Deputy Executive Officer/Public Advisor  
 South Coast AQMD  
 21865 Copley Drive, Diamond Bar, CA 91765  
 (909) 396-2432  
[PublicAdvisor@aqmd.gov](mailto:PublicAdvisor@aqmd.gov)

The documents will also be available for download from the South Coast AQMD website at:

<https://www.aqmd.gov/home/rules-compliance/rules/scaqmd-rule-book/proposed-rules/rule-1146-2>

**Americans with Disabilities Act and Language Accessibility**

Disability and language-related accommodations can be requested to allow participation in the Public Workshop. The agenda will be made available, upon request, in appropriate alternative formats to assist persons with a disability (Government Code Section 54954.2(a)). In addition, other documents may be requested in alternative formats and languages. Any disability or language-related accommodation must be requested as soon as practicable. Requests will be accommodated unless providing the accommodation would result in a fundamental alteration or undue burden to the South Coast AQMD. Please contact Marissa Poon at (909) 396-2119 from 7:00 a.m. to 5:30 p.m., Tuesday through Friday, or send the request to [mpoon@aqmd.gov](mailto:mpoon@aqmd.gov).

**Submission of Comments or Documents**

Comments, documents, studies, reports, or other relevant information may be submitted to the following contacts:

PAR 1146.2: Emily Yen Planning, Rule Development, and Implementation South Coast Air Quality Management District 21865 Copley Drive, Diamond Bar, CA 91765 Email: <a href="mailto:eyen@aqmd.gov">eyen@aqmd.gov</a> Phone: (909) 396-3206	CEQA. Farzaneh Khalaj, Ph.D. Planning, Rule Development, and Implementation, CEQA Section South Coast Air Quality Management District 21865 Copley Drive, Diamond Bar, CA 91765 Email: <a href="mailto:fkhalaj@aqmd.gov">fkhalaj@aqmd.gov</a> Phone: (909) 396-3022
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Written comments on PAR 1146.2 will be accepted until **February 23, 2024**.