

**Background of Proposed Amended Rule 69.2.2
(Medium Boilers, Process Heaters, and Steam Generators)**

Existing Rule 69.2.2 was adopted on July 8, 2020, and applies to existing and new boilers, process heaters, and steam generators (units) with a heat input rating greater than 2 million British thermal units (Btu) per hour to less than 5 million Btu per hour. The rule requires boiler manufacturers to conduct emissions testing to certify that each model of boiler that they distribute or offer for sale for use in San Diego County on or after July 1, 2021, complies with the specified emission limits in the rule. The rule also requires the owner or operator of a new boiler to conduct annual tuning and emissions testing to verify ongoing compliance with the emission limits. This regulatory approach works well for the majority of boilers, which the large manufacturers of boilers produce and certify based on the manufacturer's previously conducted emissions testing of that same model of boiler.

However, small manufacturers of boilers periodically manufacture custom units (upon customer request), which use low-emitting burners similar to those used by compliant off-the-shelf models. As a result, these custom units (not a pre-certified model) require emissions testing and certification individually. The manufacturers have advised the San Diego County Air Pollution Control District (District) that they are able to test and certify custom units only after the units have been installed. Therefore, to enable that small portion of the boiler market to continue while still preserving air quality, the District is proposing to amend Rule 69.2.2 to allow manufacturers to submit the boiler test results and certification application to the District within 30 days after the new unit has been installed and tested. The District does not anticipate adverse air quality impacts because such a unit would still be subject to the rule's emission limits and enforcement to the same extent as pre-certified models.

In comparison, many other air districts, including the South Coast Air Quality Management District and the San Joaquin Valley Air Pollution Control District, do not require boiler manufacturers to certify that their units meet specific emission limits. Instead, only the boiler owner or operator must conduct emissions testing to verify compliance. Thus, Rule 69.2.2 is more stringent in putting the burden for emissions testing and certification upon the manufacturer, rather than the customer.

In addition, the U.S. Environmental Protection Agency (EPA) has requested a few modifications of the rule to obtain full approval from the EPA. These modifications include language clarifications and updates to the test methods.

Socioeconomic Impact Assessment

State law requires the District to perform an assessment of the socioeconomic impacts when adopting, amending or repealing a rule that will significantly affect air quality or emission limitations. A review conducted by District staff found that the proposed amendments to Rule 69.2.2 will not significantly affect air quality or emissions limitations. Accordingly, a socioeconomic impact assessment is not required and has not been prepared.

Customer/Stakeholder Notification

District staff conducted a public workshop to gather input on the proposed amended rule from affected parties. A workshop notice was posted on the District's website and sent to approximately 3,500 recipients including each air quality permit holder and chamber of commerce in the region, subscribers to the District's email notification service, the EPA and the California Air Resources Board (CARB).

The workshop was attended by 10 people, including industry representatives. District staff prepared responses to all comments and questions received, which were provided to the workshop participants in a Workshop Report (Attachment C). If the rule amendments are adopted, staff will conduct additional outreach including the distribution of an advisory notice to further inform potentially affected parties.

Submittal to EPA

The proposed amendments to Rule 69.2.2 will become effective on the date of adoption. The amended rule will be submitted through CARB to the EPA for approval and inclusion into the State Implementation Plan for attaining and maintaining the air quality standards.