

State of Utah
Administrative Rule Analysis
 Revised May 2020

NOTICE OF PROPOSED RULE		
TYPE OF RULE: New ___; Amendment ___; Repeal ___; Repeal and Reenact ___		
Title No. - Rule No. - Section No.		
Utah Admin. Code Ref (R no.):	R307-230	Filing No. (Office Use Only)
Changed to Admin. Code Ref. (R no.):	R	

Agency Information

1. Department:	Environmental Quality	
Agency:	Air Quality	
Room no.:	Fourth Floor	
Building:	Multi Agency State Office Building	
Street address:	195 N 1950 W	
City, state:	Salt Lake City, UT 84116	
Mailing address:	PO Box 144820	
City, state, zip:	Salt Lake City, UT 84116-4820	
Contact person(s):		
Name:	Phone:	Email:
Liam Thrailkill	801-536-4419	lthrailkill@utah.gov
Please address questions regarding information on this notice to the agency.		

General Information

2. Rule or section catchline:	NOx Emission Limits for Natural Gas-Fired Water Heaters
3. Purpose of the new rule or reason for the change (If this is a new rule, what is the purpose of the rule? If this is an amendment, repeal, or repeal and reenact, what is the reason for the filing?):	The Utah State Legislature passed House Bill 374 which amended the State construction and Fire Codes Act, which caused the Division to amend R307-230 to align the rule with state code, maintain the efficacy of the rule, and to assist affected parties in finding compliant water heater models.
4. Summary of the new rule or change:	The amendment incorporates the updated language in state code. Additionally, the amendment requires written approval from the Division Director on a form provided by the Division. The form would request the heat input rating of the water heater being replaced, and DAQ staff would use the information to compare to the South Coast Air Quality Management District (SCAQMD) List of Certified Units to identify whether an ultra-low NOx model is available for a given heat rating. If a certified ultra-low NOx water heater is found to be unavailable for the BTU rating of the unit being replaced, the exemption would then be approved.

Fiscal Information

5. Aggregate anticipated cost or savings to:	
A) State budget:	There will be very minimal to no cost for the state budget as a result of this rule amendment. The minimal costs would be in setting up the online application and receiving the applications, both of which will fall into the duties of currently employed staff.
B) Local governments:	There will be no costs or savings to local governments as this rule amendment is not applicable to them.
C) Small businesses ("small business" means a business employing 1-49 persons):	Anticipated costs or savings to small businesses may come from filling out an application, although the anticipated application will be short and easily accessible, so there will be no major commitments from small businesses to complete this process.
D) Non-small businesses ("non-small business" means a business employing 50 or more persons):	Anticipated costs or savings to non-small businesses may come from filling out an application, although the anticipated application will be short and easily accessible, so there will be no major commitments from small businesses to complete this

process.

E) Persons other than small businesses, non-small businesses, state, or local government entities ("person" means any individual, partnership, corporation, association, governmental entity, or public or private organization of any character other than an **agency**):

Anticipated costs or savings to persons other than small businesses, non-small businesses, state, or local government entities may come from filling out an application, although the anticipated application will be short and easily accessible, so there will be no major commitments from small businesses to complete this process.

F) Compliance costs for affected persons:

There are no anticipated compliance costs for affected persons as the rule amendment simply incorporates state statute and adds the provision of filling out an application for the exemption, of which the application will be easily accessible and short.

G) Regulatory Impact Summary Table (This table only includes fiscal impacts that could be measured. If there are inestimable fiscal impacts, they will not be included in this table. Inestimable impacts will be included in narratives above.)

Regulatory Impact Table			
Fiscal Cost	FY2021	FY2022	FY2023
State Government	\$0	\$0	\$0
Local Governments	\$0	\$0	\$0
Small Businesses	\$0	\$0	\$0
Non-Small Businesses	\$0	\$0	\$0
Other Persons	\$0	\$0	\$0
Total Fiscal Cost	\$0	\$0	\$0
Fiscal Benefits			
State Government	\$0	\$0	\$0
Local Governments	\$0	\$0	\$0
Small Businesses	\$0	\$0	\$0
Non-Small Businesses	\$0	\$0	\$0
Other Persons	\$0	\$0	\$0
Total Fiscal Benefits	\$0	\$0	\$0
Net Fiscal Benefits	\$0	\$0	\$0

H) Department head approval of regulatory impact analysis:

The head of the Department of Environmental Quality, L. Scott Baird, has reviewed and approved this fiscal analysis.

6. A) Comments by the department head on the fiscal impact this rule may have on businesses:

The amendment to R307-230 incorporates state statute as amended by House Bill 0374 in the 2020 General Session and adds a provision for an application to be sent to the Director of the Division of Air Quality, neither of which are anticipated to have fiscal impacts on businesses.

B) Name and title of department head commenting on the fiscal impacts:

L. Scott Baird, Executive Director of the Department of Environmental Quality

Citation Information

7. This rule change is authorized or mandated by state law, and implements or interprets the following state and federal laws. State code or constitution citations (required):

19-2-101	19-2-104	19-2-107.7

Incorporations by Reference Information

(If this rule incorporates more than two items by reference, please include additional tables.)

8. A) This rule adds, updates, or removes the following title of materials incorporated by references (a copy of materials incorporated by reference must be submitted to the Office of Administrative Rules; *if none, leave blank*):

First Incorporation	
Official Title of Materials Incorporated (from title page)	15A-6-102 Nitrogen Oxide emission limits for natural gas-fired water heaters
Publisher	Utah State Code

Date Issued	
Issue, or version	07/01/2020

B) This rule adds, updates, or removes the following title of materials incorporated by references (a copy of materials incorporated by reference must be submitted to the Office of Administrative Rules; <i>if none, leave blank</i>):	
	Second Incorporation
Official Title of Materials Incorporated (from title page)	
Publisher	
Date Issued	
Issue, or version	

Public Notice Information

9. The public may submit written or oral comments to the agency identified in box 1. (The public may also request a hearing by submitting a written request to the agency. The agency is required to hold a hearing if it receives requests from ten interested persons or from an association having not fewer than ten members. Additionally, the request must be received by the agency not more than 15 days after the publication of this rule in the Utah State Bulletin. See Section 63G-3-302 and Rule R15-1 for more information.)

A) Comments will be accepted until (mm/dd/yyyy):	10/01/2020
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B) A public hearing (optional) will be held:

On (mm/dd/yyyy):	At (hh:mm AM/PM):	At (place):

10. This rule change MAY become effective on (mm/dd/yyyy):	11/05/2020
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NOTE: The date above is the date on which this rule MAY become effective. It is NOT the effective date. After the date designated in Box 10, the agency must submit a Notice of Effective Date to the Office of Administrative Rules to make this rule effective. Failure to submit a Notice of Effective Date will result in this rule lapsing and will require the agency to start the rulemaking process over.

Agency Authorization Information

To the agency: Information requested on this form is required by Sections 63G-3-301, 302, 303, and 402. Incomplete forms will be returned to the agency for completion, possibly delaying publication in the *Utah State Bulletin*, and delaying the first possible effective date.

Agency head or designee, and title:	Bryce Bird	Date (mm/dd/yyyy):	07/14/2020
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R307. Environmental Quality, Air Quality.

R307-230. NO_x Emission Limits for Natural Gas-Fired Water Heaters.

R307-230-1. Purpose.

The purpose of R307-230 is to reduce emissions of nitrogen oxides (NO_x) from natural gas-fired water heaters.

R307-230-2. Applicability.

R307-230 applies to the sale or installation of natural gas-fired water heaters on or after July 1, 2018.

R307-230-3. Emission Limits and Requirements.

(1) The State Construction and Fire Codes Act, Subsection 15A-6-102, Enacted by Chapter 236, 2020[47] General Session, is hereby incorporated by reference.

(2) Manufacturers shall use South Coast Air Quality Management District Method 100.1 to comply with the NO_x emission limits.

(3) Persons seeking to sell or install a natural gas-fired water heater with an emission rate greater than the limits established under Subsection 15A-6-102(2)(a) as allowed under Subsection 15A-6-102(6) must first obtain written approval using a form provided by the Division from the Director appointed under 19-2-107 verifying that a water heater model does not exist that has an input of equal BTUs per hour as the water heater being replaced that meets the limits established under Subsection 15A-6-102(2)(a).

KEY: water heaters, natural gas, NO_x, air quality

Date of Enactment or Last Substantive Amendment: August 3, 2017

Authorizing, and Implemented or Interpreted Law: 19-2-101; 19-2-104; 19-2-107.7