## TITLE 17. CALIFORNIA AIR RESOURCES BOARD

# NOTICE OF PUBLIC HEARING TO CONSIDER THE ENHANCED VAPOR RECOVERY TECHNOLOGY REVIEW AND PROPOSED AMENDMENTS OF VAPOR RECOVERY SYSTEM CERTIFICATION AND TEST PROCEDURES FOR GASOLINE MARKETING OPERATIONS AT SERVICE STATIONS

The Air Resources Board (ARB or Board) will conduct a public hearing at the time and place noted below to consider adoption of amendments to the regulations for certification and testing of vapor recovery systems installed at gasoline dispensing facilities (service stations and similar facilities).

DATE:	December 12, 2002
TIME:	9:00 a.m.
PLACE:	California Environmental Protection Agency Air Resources Board Central Valley Auditorium, Second Floor 1001 I Street Sacramento, Ca 95814

This item will be considered at a two-day meeting of the ARB, which will commence at 9:00 a.m., December 12, 2002, and may continue at 8:30 a.m., December 13, 2002. This item may not be considered until December 13, 2002. Please consult the agenda for the meeting, which will be available at least 10 days before December 12, 2002 to determine the time when this item will be considered.

This facility is accessible to persons with disabilities. If accommodation is needed, please contact ARB's Clerk of the Board at (916) 322-5594, or Telephone Device for the Deaf (TDD) (916) 324-9531, or (800) 700-8326 for TDD calls from outside the Sacramento area, by November 26, 2002, to ensure accommodation.

## INFORMATIVE DIGEST OF PROPOSED ACTION AND POLICY STATEMENT OVERVIEW

**Sections Affected**: Proposed amendments to sections 94010, 94011, 94163, 94164, and 94165, title 17, California Code of Regulations (CCR) and the documents incorporated by reference therein. Proposed adoption of new sections 94166 and 94167, title 17, CCR, and the documents incorporated by reference therein.

## Background

Health and Safety Code (H&SC) section 41954 requires the Board to adopt procedures for certifying systems designed to control gasoline vapor emissions during gasoline

marketing operations, including storage and transfer operations. Section 39607(d) of the H&SC requires ARB to adopt test methods to determine compliance with ARB and district non-vehicular emissions standards. The adopted test procedures related to gasoline vapor recovery are referenced in sections 94000-94015 and 94100 et seq., title 17, CCR.

In March of 2000, the Air Resources Board approved the Enhanced Vapor Recovery (EVR) regulation amendments. The EVR regulations established new standards for vapor recovery systems to reduce emissions during storage and transfer of gasoline at gasoline dispensing facilities (service stations).

Because several of the EVR standards were viewed to be technology-forcing, the Board directed staff to conduct a technology review for standards with future effective dates. The results of the technology review are presented in Appendix 4 of the staff report. Amendments to the vapor recovery regulations are proposed based on the findings of the EVR Technology Review report.

### Need for Amendment and Adoption

The EVR Technology Review report has found that one of the EVR standards (postrefueling drops) is not technologically feasible at this time. If the standard is not changed, no certified nozzles will be available for new installations in April 2004. Also, an error was found in calculating the ISD exemption throughput. If not corrected, service stations entitled to the ISD exemption by virtue of low annual gasoline throughput would not qualify for the exemption.

EVR standards for In-Station Diagnostics and balance component pressure drops were adopted, but lack procedures for determining compliance with the standard. New proposed procedures will fill this need. The existing regulations require rigid underground piping, but "rigid" is not defined. The staff's proposal includes a definition for rigid piping and a test procedure for determining whether the definition is met. The existing certification procedure requires continuous pressure monitoring, but does not specify how the monitoring should be accomplished. A new test procedure is proposed to assist manufacturers in collecting the necessary data during the certification tests.

Portions of the EVR program are being implemented now. During the certification process, staff identified areas to improve the certification and test procedures. Modifications to the certification procedure and several of the test procedures are proposed to clarify the procedures and allow more options for EVR systems.

#### **Summary of Staff Proposal**

ARB staff proposes to revise ten certification and test procedures and to amend title 17, CCR, sections 94010, 94011, 94163, 94164, and 94165, which incorporate the procedures by reference. The amended procedures are:

- Method D-200 Definitions for Vapor Recovery Procedures
- Method CP-201 Certification Procedure for Vapor Recovery Systems at Gasoline Dispensing Facilities
- Method TP-201.1 Volumetric Efficiency for Phase I Systems
- Method TP-201.1B Static Torque of Rotatable Phase I Adaptors
- Method TP-201.1C Pressure Integrity of Drop Tube/Drain Valve Assembly
- Revised Title: Leak Rate of Drop Tube/Drain Valve Assembly
- Method TP-201.1D Pressure Integrity of Drop Tube Overfill Protection Device
- Revised Title: Leak Rate of Drop Tube Overfill Prevention Device
- Method TP-201.2 Efficiency and Emission Factor for Phase II Systems
- Method TP-201.2B Pressure Integrity of Vapor Recovery Equipment
- Revised Title: Flow and Pressure Measurement of Vapor Recovery Equipment
- Method TP-201.2D Post Fueling Drips from Nozzle Spouts
- Method TP-201.2F Pressure Related Fugitive Emissions

ARB staff proposes to adopt five new test procedures and to amend section 94011 and to adopt sections 94166 and 94167, title 17, CCR, which incorporate the procedures by reference. The new test procedures are proposed to determine compliance with Enhanced Vapor Recovery standards. These proposed new methods are as follows:

Method TP-201.1E	Leak Rate and Cracking Pressure of Pressure-Vacuum Relief Vent Valves
Method TP-201.2G	Bend Radius Determination for Underground Storage Tank Vapor Return Piping
Method TP-201.2I	Test Procedure for In-Station Diagnostic Systems
Method TP-201.2J	Pressure Drop Bench Testing of Vapor Recovery Components
Method TP-201.7	Continuous Pressure Monitoring

The proposed new and revised procedures are summarized below:

#### Method D-200 Definitions for Vapor Recovery Procedures

Proposed amendments include defining the terms "aboveground storage tank," "in station diagnostics," and "rigid piping." Clarifications are proposed for the definitions of "effective date," "operative date," "phase II system," "processor," and "underground storage tank."

Method CP-201 Certification Procedure for Vapor Recovery Systems at Gasoline Dispensing Facilities

CP-201 describes the procedure for evaluating and certifying vapor recovery systems used at service stations. CP-201 contains the system performance standards and specifications and references the test procedures or "TPs" used to determine compliance with the certification standards and specifications. Staff proposes revisions to the certification standards and specifications and to the certification process itself.

The dripless nozzle standard is the only standard deemed not feasible at this time by the EVR Technology Review. Data submitted by nozzle manufacturers show that three drips per refueling is achievable with new nozzle designs. Staff proposes modification of the dripless nozzle standard from "one" to "three" drops. Staff also propose minor changes to the Phase II emission factor, processor hydrocarbon rate, spill container, Phase I delivery elbow and daily high pressure requirements to clarify intent.

The adopted regulations provide an exemption from in-station diagnostics for low throughput service stations. The exemption throughput is proposed to be changed from 160,000 gal/year to 300,000 gal/year to include all the stations in the GDF1 model category. Staff also proposes an additional exemption from all EVR requirements (except ORVR compatibility) for existing stations in districts that are in attainment with the state ozone standard.

Staff proposes to change the effective dates of the liquid retention, spitting and spillage standards from April 2001 to April 2003 to align the implementation with the "dripless nozzle" and EVR Phase II schedules.

Proposed amendments to CP-201 regarding the certification process include clarification of the innovative system certification option, minimum throughput requirements for test sites with multihose dispensers, classification of dispenser piping as non-system-specific, clarification of system-specific and non-system specific components, inclusion of spillage results in the application and clarification of the grounds for termination of certification tests.

Staff proposes to add a provision to allow installation of systems with terminated certifications when certified systems meeting all the operative EVR standards are not commercially available.

The in-station diagnostics (ISD) requirements currently specified in Appendix 1 of CP-201 are proposed to be incorporated into section 10 of CP-201. Staff proposes amendments to the ISD certification process to allow ISD-detected maintenance during the operational test and to certify ISD systems by system-type. Other proposed changes to ISD include modification of the air-to-liquid (A/L) ratio assessment criteria, pressure integrity failure criteria and tampering protection language.

Other minor changes are proposed for CP-201 to correct test procedure references and improve clarity.

Method TP-201.1 Volumetric Efficiency for Phase I Systems

TP-201.1 is used to determine the efficiency of Phase I systems by comparing the volume of vapors emitted to the volume of vapors recovered by the cargo tank. Staff proposes modifications to TP-201.1 to provide an option to use a volume meter to measure, rather than estimate, the volume of vapors recovered by the cargo tank. Additional changes are proposed to TP-201.1 to provide more detailed equipment specifications, add pre-test requirements for a leak-decay test of the facility storage tank, correct an error in equation 9.2, and clarify the test procedure.

Method TP-201.1B Static Torque of Rotatable Phase I Adaptors

TP-201.1B describes how to determine if a rotatable Phase I adaptor complies with the static torque performance standard. Changes are proposed to clarify the purpose and principle of the test procedure, to more completely describe the torque wrench requirement, and to provide a more complete explanation of how to conduct the torque measurements.

Method TP-201.1C Leak Rate of Drop Tube/Drain Valve Assembly

TP-201.1C measures the leak rate of the drop tube/drain valve assembly associated with Phase I equipment. Staff proposes to change the name of the method. Within the method, changes are proposed to clarify the purpose and principle of the test procedure, add equipment specifications, include calibration criteria, clarify the steps involved in leak rate measurement and specification of post-test procedures.

Method TP-201.1D Leak Rate of Drop Tube Overfill Prevention Device

TP-201.1D measures the leak rate of a drop tube overfill prevention device associated with Phase I equipment. Staff proposes to change the name of the method. Within the method, changes are proposed to clarify the purpose and principle of the test procedure, add equipment specifications, include calibration criteria, clarify the steps involved in leak rate measurement and specification of post-test procedures.

Method TP-201.2 Efficiency and Emission Factor for Phase II Systems

Minor changes are proposed to TP-201.2 to define terms in equation 12.7.

Method TP-201.2B Flow and Pressure Measurement of Vapor Recovery Equipment

Modifications to clarify applicability and purpose of TP-201.2 are proposed to sections 1 and 2 of the test procedure. Appendix 1 of TP-201.2, Determination of Pressure and Vacuum Performance Specifications for Pressure/Vacuum Vent Valves, is proposed to be deleted. A new test procedure, TP-201.E, for pressure/vacuum vent valves will replace Appendix 1 of TP-201.2.

Method TP-201.2D Post Fueling Drips from Nozzle Spouts

Modifications are proposed to TP-201.2D to make the test fuelings more similar to a typical customer fueling and avoid overlap with the liquid retention test procedure.

Method TP-201.2F Pressure Related Fugitive Emissions

TP-201.2F is used to determine emissions of pressure-related fugitives during certification testing. Changes are proposed to allow use of the standard pressure decay test in TP-201.3 and calculate fugitives based on the largest allowable leak rate combined with an actual pressure profile.

Method TP-201.1E Leak Rate Measurement of Pressure-Vacuum Vent Valves

As discussed above, the new TP-201.1E, Leak Rate Measurement of Pressure-Vacuum Vent Valves, is proposed to replace Appendix 1 of TP-201.2B. This change is consistent with the practice of specifying TP-201.1X series test procedures for Phase I components. TP-201.1E is a bench test procedure for checking that P/V valves do not exceed the allowable leak rates specified in CP-201.

Method TP-201.2G Bend Radius Determination for Underground Storage Tank Vapor Return Piping

New method TP-201.2G is proposed to reference a test procedure for determining rigid piping as defined in D-200. TP-201.2G provides a simple test procedure for determining whether a 10-foot section of vapor piping meets the minimum bend-radius requirement in order to qualify as rigid piping.

Method TP-201.2I Test Procedure for In-Station Diagnostic Systems

Proposed TP-201.2I is a new test procedure that specifies how ISD systems will be tested during certification to ensure ISD standards are met.

Method TP-201.2J Pressure Drop Bench Testing of Vapor Recovery Components

New test procedure, TP-201.2J, is proposed to determine component pressure drops as specified in section 5.2.2 of CP-201.

#### Method TP-201.7 Continuous Pressure Monitoring

A new test procedure, TP-201.7, is proposed to ensure pressure data at certification test sites is collected in a consistent manner and meets quality control standards.

#### **Comparable Federal Regulations**

There are no comparable federal regulations that certify gasoline recovery systems for service stations; however, changes to ARB vapor recovery regulations have a national impact. ARB certification is required by most other states which mandate Phase I or Phase II vapor recovery at service stations.

#### AVAILABILITY OF DOCUMENTS AND AGENCY CONTACT PERSON

The ARB staff has prepared a Staff Report: Initial Statement of Reasons (ISOR) for the proposed regulatory action which includes a summary of the environmental and economic impacts of the proposal, and supporting technical documentation, including the Enhanced Vapor Recovery Technology Review Report. The report is entitled: Initial Statement of Reasons for Proposed Rulemaking, Public Hearing to Consider the Enhanced Vapor Recovery Technology Review and Proposed Amendments of Vapor Recovery System Certification and Test Procedures for Gasoline Marketing Operations at Service Stations.

Copies of the ISOR and full text of the proposed regulatory language, in underline and strike-out format to allow for comparison with the existing regulations, may be obtained from the ARB's Public Information Office, Environmental Services Center, 1001 "I" Street, First Floor, Sacramento, California 95814, (916) 322-2990, at least 45 days prior to the scheduled hearing (December 12, 2002).

Upon its completion, the Final Statement of Reasons (FSOR) will be available and copies may be requested from the agency contact persons in this notice, or may be accessed on the web site listed below.

Requests for printed documents and inquiries concerning the substance of the proposed regulations may be directed to the designated agency contact persons: Cindy Castronovo or George Lew, Engineering and Certification Branch, Monitoring and Laboratory Division, at (916) 327-0900.

Further, the agency representative and designated back-up contact persons to whom nonsubstantive inquiries concerning the proposed administrative action may be directed are Artavia Edwards, Manager, Board Administration and Regulatory Coordination Unit, (916) 322-6070, or Alexa Malik, Regulations Coordinator,

(916) 322-4011. The Board has compiled a record for this rulemaking action, which includes all the information upon which the proposal is based. This material is available for inspection upon request to the contact persons.

If you are a person with a disability and desire to obtain this document in an alternative format, please contact the Air Resources Board ADA Coordinator at (916) 323-4916, or TDD (916) 324-9531 or (800) 700-8326 for TDD calls from outside the Sacramento area.

This notice, the ISOR, and all subsequent regulatory documents, including the FSOR, when completed, are available on the ARB Internet site for this rulemaking at <a href="http://www.arb.ca.gov/regact/evrtech/evrtech.htm">http://www.arb.ca.gov/regact/evrtech/evrtech.htm</a>.

# COSTS TO PUBLIC AGENCIES AND TO BUSINESSES AND PERSONS AFFECTED

The determinations of the Board's Executive Officer concerning the cost or savings necessarily incurred in reasonable compliance with the proposed regulatory action are presented below.

The Executive Officer has determined that the proposed regulatory action will not create costs or savings, as defined in Government Code section 11346.5(a)(6), to any state agency or in federal funding to the State, costs or mandate to any local agency or school district whether or not reimbursable by the state pursuant to part 7 (commencing with section 17500), division 4, title 2 of the Government Code, or other nondiscretionary savings to local agencies.

In developing this regulatory proposal, the ARB staff evaluated the potential economic impacts on private persons and businesses. The ARB is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

The Executive Officer has made an initial determination that the proposed regulatory action will not have a significant statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states, or on representative private persons.

In accordance with Government Code section 11346.3, the Executive Officer has initially determined that the proposed amendments should not have impacts on the creation or elimination of jobs within the State of California, and should not have impacts on the creation of new businesses and the elimination of existing businesses within the State of California, and no impacts on the expansion of businesses currently doing business within the State of California. A detailed assessment of the economic impacts of the proposed amendments can be found in the ISOR.

The Executive Officer has determined, pursuant to title 1, CCR, section 4, that the proposed regulatory action will affect small businesses.

In accordance with Government Code sections 11346.3(c) and 11346.5(a)(11), the Executive Officer has found that the reporting requirements in the regulations and incorporated documents that apply to businesses are necessary for the health, safety, and

welfare of the people of the State of California.

Before taking final action on the proposed regulatory action, the ARB must determine that no reasonable alternative considered by the ARB or that has otherwise been identified and brought to the attention of the ARB would be more effective in carrying out the purpose for which the action is proposed or would be as effective and less burdensome to affected private persons or businesses than the proposed action.

# SUBMITTAL OF COMMENTS

The public may present comments relating to this matter orally or in writing at the hearing, and in writing, or by e-mail before the hearing. To be considered by the Board, written submissions not physically submitted at the hearing must be received by no later than **12:00 noon December 11, 2002,** and addressed to the following:

Postal Mail is to be sent to:

Clerk of the Board Air Resources Board 1001 "I" Street, 23<sup>rd</sup> Floor Sacramento, CA 95814

Electronic mail is to be sent to: <u>evrtech@listserv.arb.ca.gov</u> and received at the ARB by no later than **12:00 noon December 11, 2002.** 

Facsimile submissions are to be transmitted to the Clerk of the Board at (916) 322-3928 and received at the ARB no later than **12:00 noon December 11, 2002.** 

The Board requests, but does not require, 30 copies of any written statement be submitted and that all written statements be filed at least 10 days prior to the hearing so that ARB staff and Board Members have time to fully consider each comment. The ARB encourages members of the public to bring any suggestions for modification of the proposed regulatory action to the attention of staff in advance of the hearing.

## STATUTORY AUTHORITY

This regulatory action is proposed under the authority granted to the ARB in sections 39600, 39601, 39607, and 41954 of the Health and Safety Code. This action is proposed to implement, interpret, or make specific sections 39515, 39516, 39605, 39607, 40001, 41954, 41956.1, 41959, 41960 and 41960.2 of the Health and Safety Code.

## **HEARING PROCEDURES**

The public hearing will be conducted in accordance with the California Administrative

Procedure Act, title 2, division 3, part 1, chapter 3.5 (commencing with section 11340) of the Government Code.

Following the public hearing, the ARB may adopt the regulatory language as originally proposed or with nonsubstantial or grammatical modifications. The ARB may also adopt the proposed regulatory language with other modifications if the modifications are sufficiently related to the originally proposed text that the public was adequately placed on notice that the regulatory language as modified could result from the proposed regulatory text, with the modifications clearly indicated, will be made available to the public for written comment at least 15 days before it is adopted.

The public may request a copy of the modified regulatory text from the ARB's Public Information Office, Environmental Services Center, 1001 "I" Street, First Floor, Sacramento, California 95814, (916) 322-2990.

### CALIFORNIA AIR RESOURCES BOARD

### MICHAEL P. KENNY EXECUTIVE OFFICER

Date: October 15, 2002

"The energy challenge facing California is real. Every Californian needs to take immediate action to reduce energy consumption. For a list of simple ways you can reduce demand and cut your energy costs, see our Web-site at www.arb.ca.gov."