

## TITLE 17. CALIFORNIA AIR RESOURCES BOARD

### **NOTICE OF PUBLIC HEARING TO CONSIDER THE PROPOSED ADOPTION OF A TEST PROCEDURE FOR PRESSURE/VACUUM VENT VALVES AND PROPOSED AMENDMENTS TO THE REGULATIONS FOR CERTIFICATION OF VAPOR RECOVERY SYSTEMS AT GASOLINE DISPENSING FACILITIES (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 of vapor recovery systems installed at gasoline dispensing facilities (service stations and similar facilities).

DATE: May 25, 2006

TIME: 9:00 a.m.

PLACE: California Environmental Protection Agency  
Air Resources Board  
Byron Sher Auditorium, Second Floor  
1001 I Street  
Sacramento, California 95814

This item will be considered at a two-day meeting of the ARB, which will commence at 9:00 a.m., May 25, 2006, and may continue at 8:30 a.m., May 26, 2006. Please consult the agenda for the meeting, which will be available at least 10 days before May 25, 2006, to determine the time when this item will be considered.

For individuals with sensory disabilities, this document is available in Braille, large print, audiocassette, or computer disk. Please contact ARB's Disability Coordinator at (916) 323-4916 by voice or through the California Relay Services at 711, to place your request for disability services. If you are a person with limited English and would like to request interpreter services, please contact ARB's Bilingual Manager at (916) 323-7053.

### **INFORMATIVE DIGEST OF PROPOSED ACTION AND POLICY STATEMENT OVERVIEW**

**Sections Affected:** Proposed amendments to section 94011, title 17, California Code of Regulations (CCR), and the incorporated certification and test procedures: Definitions for Vapor Recovery Procedures, D-200, last amended October 8, 2003; Certification Procedure for Vapor Recovery Systems at Gasoline Dispensing Facilities, CP-201, last amended February 9, 2005; Bend Radius Determination for Underground Storage Tank Vapor Return Piping, TP-201.2G, adopted October 8, 2003; Test Procedure for In-Station Diagnostic Systems, TP-201.2I, adopted October 8, 2003; and

the proposed adoption of incorporated test procedure: Leak Rate and Cracking Pressure of Pressure/Vacuum Vent Valves, TP-201.1E CERT.

**Background:** Throughout California, ARB authorizes the sale, installation, and use of vapor recovery equipment at service stations, also referred to as gasoline dispensing facilities (GDF), through a certification program. Control of the emissions of air pollutants from GDFs is necessary to reduce hydrocarbon emissions that lead to the formation of ozone and to control emissions of benzene, a constituent of gasoline vapor that has been identified as a toxic air contaminant. In March 2000, ARB approved the Enhanced Vapor Recovery (EVR) certification regulations. The EVR regulations established new standards for vapor recovery systems to further reduce emissions during storage and transfer of gasoline at GDFs that use underground storage tanks for gasoline storage. The EVR standards apply to both new and existing facilities and are being phased in from 2001 to 2010. The EVR regulations have been previously updated in 2001, 2002, and 2004, in part, to improve test procedures for vapor recovery system certification.

**Staff's Proposal:** Assembly Bill 2955, enacted in September 2004, requires, among other provisions, that the State Water Resources Control Board determine whether equipment undergoing certification to meet the EVR regulations also meets the underground storage tank statutory requirements as specified in Health and Safety Code section 25290.1.2. The staff proposes that the Certification Procedure for Vapor Recovery at Gasoline Dispensing Facilities (Certification Procedure or CP-201) be amended to reflect this new requirement.

Vapor recovery equipment manufacturers have requested that the EVR regulations be amended to more clearly defined and simplify the process for certification. Staff has proposed changes to CP-201 to expand and clarify the certification process, particularly to address the process when equipment manufacturers wish to modify or add alternative components to certified vapor recovery systems.

Concern that the pressure/vacuum (P/V) vent valve (a component of the vapor recovery system) specifications are more stringent than necessary has prompted some stakeholders to request that the certification specifications for P/V vent valves be amended. The concern stems from the delay or termination of system certification testing when P/V vent valves have exceeded the limits of the performance specifications. Staff is proposing modifications to the current performance specifications for cracking pressure and leak rate to better reflect appropriate P/V valve performance needs under actual field conditions. Staff is also proposing to adopt a new test procedure, "Vapor Recovery Test Procedure for Leak Rate and Cracking Pressure of Pressure/Vacuum Vent Valves" (TP-201.1E CERT). The test procedure is intended for use during certification testing and will result in a more accurate, precise, and representative test of P/V vent valves.

The Certification Procedure allows ARB's Executive Officer to delay implementation of the scheduled phased-in of EVR standards and specifications under specified

conditions. Executive Officer action in Executive Order G-70-206 delayed the implementation dates associated with some of the EVR requirements to April 1, 2005.

Also, the effective and operative dates for in-station diagnostics in GDFs with gasoline throughput greater than 1.8 million gallons per year were changed by Executive Order to August 1, 2005, and September 1, 2005, respectively (by Executive Officer action in Executive Order G-70-207 and Executive Officer action in Executive Order G-70-208, respectively). These delaying actions are not currently reflected in the regulations. The proposed action would update CP-201's schedule for the phase-in of EVR requirements.

Staff also proposes some reorganization of, and amendment to, CP-201 to improve clarity and readability. Likewise, staff proposes amendments to the definitions in D-200 to clarify and add terms used in the vapor recovery certification and test procedures.

### **COMPARABLE FEDERAL REGULATIONS**

There are no comparable federal regulations that certify gasoline vapor recovery systems for service stations; however, changes to ARB's vapor recovery regulations have a national impact. Certification by ARB is required in most other states that require vapor recovery at service stations.

### **AVAILABILITY OF DOCUMENTS AND AGENCY CONTACT PERSONS**

The ARB staff has prepared a Staff Report: Initial Statement of Reasons (ISOR) for the proposed regulatory action that includes a summary of the environmental and economic impacts of the proposal. The report is entitled: "Staff Report: Initial Statement of Reasons for Proposed Rulemaking, Public Hearing to Consider the Adoption of a Test Procedure for Pressure/Vacuum Vent Valves and Proposed Amendments to the Regulations for Certification of Vapor Recovery Systems at Gasoline Dispensing Facilities (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 accessed on the ARB's web site listed below, or may be obtained from the Public Information Office, Air Resources Board, 1001 I Street, Visitors and Environmental Services Center, 1<sup>st</sup> Floor, Sacramento, CA 95814, (916) 322-2990, at least 45 days prior to the scheduled hearing on May 25, 2006.

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: Mr.

Kevin Mongar, Mr. Pat Bennett, or Mr. George Lew, Engineering and Certification Branch, Monitoring and Laboratory Division, at (916) 327-0900.

Further, the agency representative and designated back-up contact person to whom non-substantive 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.

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 <http://www.arb.ca.gov/regact/pvvapor06/pvvapor06.htm>.

### **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 by public agencies and private persons and businesses in reasonable compliance with the proposed regulatory action are presented below.

In developing this regulatory proposal, the ARB staff evaluated the potential economic impacts on representative private persons and businesses. The Executive Officer is not aware of any costs that a representative private person or business would necessarily incur in reasonable compliance with the proposed action. Although not quantifiable, cost savings for vapor recovery equipment manufacturers may occur due to 1) proposed changes to the certification requirements (potentially fewer terminated certification tests), 2) proposed changes to the P/V valve performance specifications and test procedure (potentially fewer terminated certification tests), and 3) proposed improvements in the certification process (more clearly defined and simplified). Cost savings for GDF operators may occur when conducting P/V valve testing under the amended P/V valve performance specifications as there may be fewer test failures and P/V valve replacements. A complete assessment of the economic impacts of the proposed regulatory action can be found in the ISOR.

Pursuant to Government Code sections 11346.5(a)(5) and 11346.5(a)(6), the Executive Officer has determined that the proposed regulatory action will not create costs or savings, 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, except as discussed above, or other nondiscretionary savings to state or local agencies.

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 will not affect the creation or elimination of jobs within the State of California, the creation of new businesses and the elimination of existing businesses within the State of California, and the expansion of businesses currently doing business within the State of California. An assessment of the economic impacts of the proposed regulatory action can be found in the ISOR.

The Executive Officer has also determined, pursuant to title 1, CCR, section 4, that the proposed regulatory action affects 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 Board must determine that no reasonable alternative considered by the Board or that has otherwise been identified and brought to the attention of the Board 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 no later than

**12:00 noon May 24, 2006**, 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 submittal : <http://www.arb.ca.gov/lispub/comm/bclist.php> **no later than 12:00 noon, May 24, 2006.**

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, May 24, 2006.**

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 AND REFERENCES**

This regulatory action is proposed under the authority granted to the ARB in sections 25290.1.2, 39600, 39601, 39607, and 41954 of the Health and Safety Code. This action is proposed to implement, interpret, or make specific sections 25290.1.2, 39515, 41952, 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 action. In the event that such modifications are made, the full 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, Visitors and Environmental Services Center, 1001 I Street, First Floor, Sacramento, California 95814, (916) 322-2990.

California Air Resources Board

Catherine Witherspoon  
Executive Officer

Date: March 28, 2006

*"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](http://www.arb.ca.gov)."*