Regulatory Advisory

February 28, 2014



Flexibility Provided to Owners and Operators of Aboveground Gasoline Storage Tanks (AST) Subject to 2008 AST Vapor Recovery Regulation

In November 2014, the California Air Resources Board (ARB or Board) will consider amendments to Enhanced Vapor Recovery (EVR) requirements for aboveground storage tanks (ASTs) storing gasoline, with the goal of improving cost effectiveness of the regulation while preserving its air quality benefits. This advisory describes circumstances in which AST owners and operators may be able to avoid unnecessary expenses when it is not cost-effective to upgrade vapor recovery equipment on existing ASTs. Owners/operators are encouraged to contact their local air district to determine applicable requirements for their AST, as current district rules may require the use of SLC, Phase I, and/or Phase II systems on ASTs.

Background:

In 2008, the Board adopted statewide Enhanced Vapor Recovery (EVR) standards¹ to reduce air pollution from AST. Pursuant to provisions in Health and Safety Code section 41956.1 owners and operators of AST are required to install EVR equipment to reduce the emission of gasoline vapors caused by daily changes in ambient temperature and exposure to sunlight (Standing Loss Control, or SLC) as well as vapors that are emitted during the transfer of gasoline from the cargo tanker to the AST (Phase I) and then from the AST to the motor vehicle (Phase II). Under the statewide regulation, *new* AST have been required to have SLC equipment since April 1, 2009 and Phase I equipment since July 1, 2010. For *existing* AST located in state ozone non-attainment areas, SLC has been required since April 1, 2013 and Phase I equipment is required by July 1, 2014. Installation deadlines for Phase II equipment have not yet been established due to a lack of certified equipment.

Based on recent analysis, ARB has determined that in some situations the costs associated with implementation of Phase I equipment are higher than originally anticipated, particularly for AST with low gasoline throughput which are in many cases located in rural areas. To allow for more cost-effective implementation of AST EVR requirements, ARB staff will ask the Board at a public hearing scheduled for November 2014 to consider regulatory amendments that would exempt certain ASTs from compliance with SLC and Phase I requirements. In the interim, to ensure that owners/operators do not unnecessarily expend funds to upgrade ASTs that could ultimately be exempt under the amendments that ARB staff will be proposing, ARB will request the air districts to not enforce the July 1, 2014 compliance deadline for those AST owners/operators who may not be required to comply under the **9 STEP PROCESS** laid out in this Regulatory Advisory.

Anticipated Regulatory Changes:

Please be advised that while ARB staff anticipates proposing amendments similar to this Regulatory Advisory at the Board's regularly scheduled November 2014 meeting, the changes will not be finalized until adopted by the Board. As such, the final scope and applicability of the amendments may change as ARB staff assesses the emission, risk, and economic impacts and conducts public workshops at various locations throughout the State. In the event that the final adopted amendments differ from those identified above, AST owners/operators will be provided additional time to come into compliance with the regulation. The compliance timeline will be specified in the adopted amendments.

¹ Title 17, California Code of Regulations, Section 94016

Step 1

- Is the capacity of your AST 250 gallons or more?
- If yes, proceed to Step 2.
- If no, **STOP**, under the terms of this Regulatory Advisory your AST is exempt and is not subject to SLC, Phase I or II EVR. Check with your Air District for local requirements.

Step 2

- Is your existing AST subject to an agricultural operation exemption by Air District rule?
- If yes, your AST is exempt from SLC, Phase I and II. Check with your Air District to verify.
- If no, proceed to Step 3.

Step 3

- Is your AST located within 50 feet of a residence, school, day care center, or healthcare facility?
- If yes, **STOP**, your AST is located near a sensitive receptor. Contact your local Air District for applicable requirements.
- If no, proceed to Step 4.

Step 4

- Is your AST a **new installation** or an **existing installation**?
- If new, **STOP**, your AST is required to comply with SLC, Phase I EVR, and Pre-EVR Phase II requirements.
- If existing, proceed to Step 5.

Step 5

- Is your existing AST located in one of the **Air Districts identified in Table 1** of this advisory?
- If yes, **STOP**, under the terms of this Regulatory Advisory your AST is exempt and is not subject to EVR requirements. Check with your Air District for local requirements.
- If no, proceed to Step 6.

Step 6

- Is your existing AST located in the South Coast AQMD or San Diego APCD?
- If yes, **STOP**, your AST is required to comply with SLC and Phase I EVR requirements
- If no, proceed to Step 7.

Step 7

- Is the annual gasoline throughput of your existing AST greater than 18,000 gallons?
- If no, **STOP**, under the terms of this regulatory Advisory your AST is required to install SLC but is exempt from Phase I EVR requirements. Check with your Air District for local requirements.
- If yes, proceed to Step 8.

(9 STEP PROCESS Continued on Next Page)

Step 8

- Is the annual gasoline throughput of your existing AST greater than 60,000 gallons?
- If yes, **STOP**, your AST is required to comply with SLC and Phase I EVR requirements.
- If no, proceed to Step 9.

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Step 9

- Based on your responses to the previous steps, the annual throughput of your existing AST is between **18,000** gallons and **60,000** gallons.
- Is your existing AST located in San Joaquin Valley APCD, Sacramento Metro AQMD, Bay Area AQMD, or Ventura County APCD?
- If yes, your AST is required to comply with SLC and Phase I EVR Requirements.
- If no, under the terms of this Regulatory Advisory your AST is required to comply with SLC but is exempt from Phase I EVR requirements. Check with your Air District for local requirements.

Table 1: Air Districts Which Are Exempted from EVR Requirements for AST:

Air District ²			
Amador County APCD	Colusa County APCD		Glenn County APCD
Great Basin Unified APCD	Lake County AQMD		Lassen County APCD
Mendocino County AQMD	Modoc County APCD		Monterey Bay Unified APCD
North Coast Unified AQMD	Northern Sierra AQMD		Northern Sonoma County APCD
Shasta County APCD		Siskiyou County APCD	
Tehama County APCD		Tuolumne County APCD	

Contact Information:

For further information about AST vapor recovery requirements, sensitive receptors, exemptions for agricultural operations, and how to calculate annual throughput, please contact your local Air District. Air District contact information is available at http://www.arb.ca.gov/vapor/EVR%20District%20Contacts%202012.pdf.

For further information about ARB's Enhanced Vapor Recovery program for aboveground gasoline storage tanks, please visit http://www.arb.ca.gov/vapor/vapor.htm or call 916-327-0900.

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² A map of California's air districts is available at http://www.arb.ca.gov/capcoa/dismap.htm