



California Fuels and Convenience Alliance
2520 Venture Oaks Way, Suite 100
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June 7, 2019

The Honorable Mary Nichols
California Air Resources Board

Re: California Fuels and Convenience Alliance Comments Regarding Proposed 15-Day Modifications to Regulation for the Reporting of Criteria Air Pollutants and Toxic Air Contaminants

The California Fuels and Convenience Alliance (CFCA) represents about 300 members, including nearly 90% of all the independent petroleum marketers in the state and half of the state's 12,000 service stations. Our members are small, family- and minority-owned businesses that provide services to nearly every family in California. Additionally, CFCA members fuel local governments, law enforcement, city and county fire departments, ambulances/emergency vehicles, school district bus fleets, construction firms, marinas, public and private transit companies, hospital emergency generators, trucking fleets, independent fuel retailers (small chains and mom-and-pop gas stations) and California agriculture, among many others. CFCA appreciates the opportunity to submit comments on this issue.

The California Fuels and Convenience Alliance opposes the proposed amendments to the AB 617 Criteria and Toxics Reporting requirements as both the rulemaking process and the amendments have or will create overwhelming burdens on small and medium businesses.

Rulemaking Process

This legislation was passed with the intent of focusing on designated communities, CARB is now proposing that this emissions reporting be required statewide. Not only is CARB going far beyond the scope of the legislation and initial implementation, it attempted to curtail input from industry and local Air Districts by conducting a shortened rulemaking process. While CARB has allowed for another comment period, it is only because the public demanded a fair and open process. This has harmed the trust between the regulated small business community and the Board. I encourage CARB to better utilize the Office of the Ombudsman to conduct outreach and rebuild this relationship.

Applicability - §93401

Businesses located in attainment zones should not be included under these amendments and the applicability should not be based on whether a small portion of the air district has achieved attainment. If CARB chooses to pursue this applicability, CARB should justify it by proving that facility has a direct impact on the nonattainment area within an air district. CARB will not find meaningful reductions by creating new burdens on businesses that are not directly preventing the air district from reaching attainment in the opposite corner of the district. Further, it will add the confusion of the community by listing emissions from facilities that are not

preventing the goals of the National Ambient Air Quality Standards or California Ambient Air Quality Standards. It will lead to vexatious litigation against these businesses simply because CARB chose to include these facilities in order to ensnare as many businesses as possible.

Enhanced Reporting Requirements - §93403

By including nearly all permitted sources, CARB will increase the burden on the Air Districts and inundate their staff with the required data and the flood of questions that will undoubtedly come from including smaller sources in this regulation. In turn, Air Districts will require increased staff, leading to higher permit costs and creating yet another increase to the cost of business operations. Some Air Districts have already begun the process of increasing fees in order to cover the costs mandated by this program and should be included in the Final Statement of Reasons to be provided by CARB.

As CFCA members make up the fuel supply chain below the refinery level, these increased costs will be reflected in the final price per gallon. Consumers will pay higher prices at the pump and increase their taxes, as local governments, will have higher operation costs for their fleets of school buses, emergency service vehicles, and government department vehicles. Fuel is a vital infrastructure that touches nearly every aspect of daily life for Californians.

Abbreviated Reporting for Retail Gas Stations – §94303(b)

Any abbreviated or estimated reporting for regulated entities should follow the same strict procedure, regardless of its location. Allowing air districts to determine their own process will result in inconsistent data that will not support the stated goals of the regulation. Scientific data should be collected and analyzed in the same manner to provide standardized data. Further, if one category of emissions sources is eligible for estimated reporting, all sources in that category should receive an estimate from the Air District (i.e. adjacent gas stations). This would standardize the data submitted to CARB and remove uncertainty for business. Air Districts should not be allowed to pick and choose which business will be provided assistance and which will be required to spend time and money conducting accurate reporting.

Further, fuel providers such as retail gas stations, bulk facilities, and card locks already provide gallonage or “throughput” information to local Air Districts. If these local regulators already have the capacity to provide abbreviated reporting based on already submitted information, abbreviated reporting should be extended to all fuel providers throughout the supply chain.

Thank you for your time and consideration in this matter. Please contact Sam Bayless at bayless@cfca.energy with any questions or feedback.

Sincerely,

Samuel Bayless
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California Fuels and Convenience Alliance