



Alan C. Lloyd, Ph.D.  
Agency Secretary

# Air Resources Board

1001 I Street • P.O. Box 2815  
Sacramento, California 95812 • [www.arb.ca.gov](http://www.arb.ca.gov)



Arnold Schwarzenegger  
Governor

November 16, 2005

Mr. William S. Rogers  
SKS INC., Petroleum Distributors  
P.O. Box 469110  
Escondido, California 92046-9110

Dear Mr. Rogers:

Thank you for your November 1, 2005 letter in which you provided comments on our October 18, 2005 Vapor Recovery Rulemaking workshop. Mr. Loscutoff asked me to respond to your letter. Each of your bulleted comments are re-stated (in italics) below and followed by our response.

- *When the operative date is changed on any regulation that applies to the “four year clock”; why does the four year clock date not start on the operative date? For instance the date scheduled for Phase II was January 2005 and the operative date ended up being April 2005 with the four year end date of January 2009. This date should be April 2009. Those systems that need to get certified automatically lose three months and for the end user, we do not have a full four years. How can we change that?*

Response: At the October 18, 2005 Workshop, Air Resources Board (ARB) staff proposed to change the Phase II EVR operative and effective dates in Table 2-1 of CP-201 to April 1, 2005 (reference slide 4 of the presentation and Table 2-1 of proposed CP-201). Therefore, the “4-year clock” would begin on April 1, 2005 and end on April 1, 2009. The presentation and proposed CP-201 changes can be viewed at <http://www.arb.ca.gov/vapor/vapor.htm>.

- *In TP – 201.1E Figure 1, it shows a ball valve installed on the vent pipe. I have a concern that this could be interpreted as leaving the ball valve on permanently. I hope this is not the intention as there is no language that indicates this is for testing purposes only and that the ball valve must be removed before placing the system back in-service. What will it take to add such language so there is no confusion? If someone should leave the ball valve on and someone comes*

*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 Website: <http://www.arb.ca.gov>.*

California Environmental Protection Agency

*along and accidentally or intentionally shuts off the valve while the system is in normal operation, you could have a tank explode or implode.*

Response: Language will be added to Section 5.7 of TP-201.1E CERT to emphasize that the ball valve is installed for certification testing purposes only and must be removed after the certification testing is completed.

- *Are the performance standards set forth in table 5-1 in CP – 201, for individual testing of each component during field testing or are they grouped together under TP -201.4. It is unclear as to whether or not this is for the manufacturer or the in-field annual, semi annual or 180 day test protocol. Can you clear this up for me?*

Response: The standards and specifications listed in Table 5-1 of CP-201 require testing of individual components (e.g., bench tests using TP-201.2J) as well as testing of the installed hardware (i.e., pressure drop from the phase II riser to the UST and the pressure drop from the nozzle to the UST, using TP-201.4). In the application for certification, applicants are required to provide results of tests demonstrating that their system and components meet all the applicable performance standards. The certification application should include component pressure drop and system dynamic back pressure test results. The pressure drop test, TP-201.2J, is specifically intended for use during the certification evaluation and not intended for use in compliance. *(Note that CP-201 is a document describing the certification process and is not intended to dictate in-use compliance procedures).*

In-field compliance testing requirements are specified in the Executive Orders for certified systems. ARB staff intends to specify TP-201.4 testing in the Phase II EVR Executive Orders for balance-type systems. The frequency of in-field compliance testing will be determined during the certification evaluation and Executive Order review process. The local air pollution control district may, however, require more frequent compliance testing.

- *Under 5.1.3 you are adding that: The applicant will include a procedure to test the nozzle bellows compression force in the certification application. Does this also mean that it will become part of the field testing for all nozzles?*

Response: The applicant's procedure to test the nozzle bellows compression force may be included in the Executive Order as a field compliance test procedure. This will be determined during the certification evaluation and Executive Order review process.

- *I am a bit confused about how the ISD alarm system will work; 1.) I understand that they are preset at midnight to print out all alarms; is this required or can any time be set for printing out alarms? 2) Response time is an issue for repairs and something needs to be put into the language that addresses response time for each type of alarm. 3) Along with response time comes availability of parts; we all know that it can take weeks to get a part for the new Phase II systems. If we can't get a part for the new ISD system, dispenser or a Phase I or Phase II system component and we have isolated the particular dispenser or component from the system, we should be able to continue dispensing from the other in-compliant dispensers and not be in-violation. 4.) There should be something in the language that allows more ability on the part of the owner/operator to make simple repairs, log them and reset the system; such as replacing a nozzle, hose, swivel etc. Simple training of any employee can achieve this and should be allowed, within reason. This would help in two ways; 1 - shorter down time, 2 - less fugitive emissions; rather than waiting for a certified technician to make the repair while emissions continue to flow through say, a slit in a hose that can only be replaced by a certified technician.*

Response: 1) The default time for the 24 hour assessment time is midnight. The 24 hour default time can be adjusted for any time of the day. 2) A warning will trigger some type of corrective action before the system disables fueling. Local districts may require different amounts of time for a corrective action, so it is not appropriate to address response time in the state regulation. 3) CP-201 allows for the operation of the station as long as the affected fueling points(s) have been taken out of service. For example, if the ISD system posts a hose alarm as long as the hose is taken out of service the station can continue to operate while corrective repairs are being made. Veeder-Root has indicated that parts ship within three days of an order. 4) In regards to the Healy Phase II EVR Executive Order, you must be a Healy certified technician to perform maintenance, repair or testing of Healy components. District rules or policy may allow maintenance in emergency situations.

- *There is also an issue with the Healy System that needs attention; the clean air separator could be come an issue with regard to its structure. This tank is just that, a tank and it is being treated like a component of the system. Are these tanks ASME approved and are they regulated by the Fire Codes or OSHA or anyone that has authority over tanks? There are clean air separators that are tanks of 800 gallon capacity which contain hydrocarbons and they need to be made safe. How do we go about getting information on this?*

Response: Before Executive Order VR-201-A (and subsequently, VR-202-A) was issued by ARB, approvals were obtained from the three (3) state agencies

listed below and a determination as required by AB 2955 (McCarthy, 2004) was obtained from the State Water Resources Control Board:

- A. Department of Forestry and Fire Protection, Office of the State Fire Marshal
- B. Department of Industrial Relations, Division of Occupational Safety and Health Administration
- C. Department of Food and Agriculture, Division of Measurement Standards.

Copies of these approvals or determination are enclosed with this letter.

Additionally, Healy Systems, Inc. subjected the Clean Air Separator tank to an evaluation for the purpose of determining the ability of the 400-gallon steel tank to contain an internal explosion and pursuant hydrostatic pressure. This evaluation was conducted in accordance with UL 60079-1, Electrical Apparatus for Explosive Gas Atmospheres – Part 1: Flameproof Enclosures “d”, Section 15.1, Tests of Ability of the Enclosure to Withstand Pressure. The test was conducted by Southwest Research Institute’s Department of Fire Technology, located in San Antonio, Texas. The test involved three explosion tests, followed by a hydrostatic test. The test showed that the tank remained intact during all three explosion tests and the pursuant hydrostatic test. A copy of that report has also been enclosed with this letter.

Additional questions on the Clean Air Separator, or any other component of the Healy Phase II EVR System, can be directed to the ARB project lead for the Healy certification, Paul Marzilli, at 916-445-7431 or [pmarzill@arb.ca.gov](mailto:pmarzill@arb.ca.gov).

- *At what point does the Executive Officer declare that the economics of a system are too much? What is the formula for determining such? We heard at the CUPA Conference from a representative of CARB that these ISD systems would cost around \$12,000. The prices we are getting are upwards of \$20,000.*

Response: ARB is required to consider cost-effectiveness during the rulemaking process. The staff reports for the EVR rulemaking contain details on the cost analyses and are available via [www.arb.ca.gov/vapor/regulatory.htm](http://www.arb.ca.gov/vapor/regulatory.htm).

The ARB is developing draft protocols to evaluate the performance of ISD at several installations statewide and re-assess the cost-effectiveness of ISD as directed by the Board. The draft protocols are currently under CAPCOA review and will be made available to interested stakeholders for comment by the end of 2005.

Veeder-Root has indicated the average cost of the ISD orders received to date is between \$6,500.00 and \$8,000.00. These costs do not include the costs of the console and the secondary containment monitoring system required by the SWRCB.

- *If an ISD is installed at a GDF and this ISD will do everything to monitor the entire vapor recovery system; why must the GDF still undergo periodic testing of the Phase I and Phase II system components? I understand the need to certify the ISD system operation each year. However, why does any other testing that is supposed to be controlled and monitored by the ISD, such as pressure decay and blockage testing on a balance system, need to be done every 180 days or annually and in some cases every three months? If the ISD is supposed to keep the system operating at 98% and it does so, then why is additional and costly testing required?*

Response: The ISD system is intended to be used as a tool to reduce emissions by early detection and identifying vapor recovery failures for prompt repair. ISD was not intended to replace manual tests for verifying compliance of the vapor recovery systems.

- *Commercial availability in another issue which is a loose definition that should be reconsidered by the Executive Officer. We end users went through this with Phase I equipment where there was only one certified manufacturer and here we are again with Phase II equipment and ISD with only one certified manufacturer. This is simply bad business mandated by the regulators. There should be more than one certified manufacturer available before any regulation takes affect. We are under the same mandated requirements from SWRCB with regard to Enhanced Leak Detection and only one company available with outrageous fees. Why can't there be fair competition standards set for these regulations?*

Response: Thank you for your comments on commercial availability. We are considering the addition of a definition of "commercially available" in D-200 and appreciate your suggestions on this topic. Any proposed changes will be made available for public comment.

- *There needs to be a longer digestive time between workshops; we all have busy schedules trying to make enough money to pay for all these mandated upgrades and we need to be able to get a good handle on these documents that we will end up paying the price for. We need to be sure that it is in everyone's best interest and not something that log rolls into a complex and costly item that serves no one. What can we do to get more time between workshops when there is so much documentation to absorb?*

Mr. William S. Rogers  
November 16, 2005  
Page 6

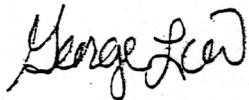
Response: We plan to conduct a second EVR workshop on the proposed changes to CP-201 and to delay it until January or February of 2006, to give everyone, including our legal counsel, more time to evaluate the proposed changes. In regards to ISD, we are considering holding a separate ISD session on the same day to update stakeholders on ISD activities.

*One last item with regard to responding to an ISD alarm; the time to respond needs to be discussed more within the work group. It is important and I think it rates a high priority to all involved.*

Response: As mentioned in the previous response, we are considering holding a separate ISD session on the same day of the EVR workshop to update stakeholders on ISD activities.

We appreciate your comments. If you have questions or need further information regarding the rulemaking, please contact Kevin Mongar at (916) 322-2502 or via email at [kmongar@arb.ca.gov](mailto:kmongar@arb.ca.gov) or Pat Bennett at (916) 322-8959 or via email at [pbennett@arb.ca.gov](mailto:pbennett@arb.ca.gov). Please contact Joe Guerrero at (916) 324-9487 or via email at [jguerrer@arb.ca.gov](mailto:jguerrer@arb.ca.gov), for questions on ISD.

Sincerely,



George Lew, Chief  
Engineering and Certification Branch  
Monitoring and Laboratory Division

Enclosures

cc: Bill Loscutoff  
Air Resources Board

Jay McKeeman  
California Independent Marketers Association

Richard Smith  
San Diego Air Pollution Control District