Proposed Amendments to the Aboveground Storage Tank Phase II Enhanced Vapor Recovery Requirements

Public Workshop
Sacramento
June 14, 2017
**Housekeeping**

- Emergency Exits, Building Evacuation, Restrooms
- Listen Only Conference Line:
  - Phone: 1 (800) 230-1059
- For those participating via conference call, email your comments during the presentation to: vapor@arb.ca.gov
- Presentation is available at: http://www.arb.ca.gov/vapor/vapor.htm
Workshop Outline

- **Background**
- Phase I Amendment History
- Phase II Data Collection
- Other Issues
- Next Steps
Why are we here today?

- Amending the 2008 Aboveground Storage Tank (AST) Enhanced Vapor Recovery (EVR) Regulation
- Phase II EVR for ASTs
  - Deadline for existing systems
  - Regulation structure no longer mirrors that of AST Phase I EVR requirements
- In 2015, California Air Resources Board (CARB or the Board) staff informed the Board of the intent to amend Phase II at a later date
  - Time needed to be able to do a cost-analysis
- Provide interested parties with opportunity to inform staff of data to be considered in moving forward with amendments
Rulemaking Process

- **Public Workshops**
  - June 2017

- **Public Workshops (2)**
  - Fall 2017

- **Rulemaking 45-day Comment Period**
  - Spring 2018

- **Board Hearing**
  - Summer 2018
Approximately 9,000 ASTs (2013 survey)

4,000 ASTs permitted by Districts

Typically lower throughput when compared to underground storage tank facilities

Less than 1% of annual gasoline statewide throughput (2013 survey)
AST Vapor Recovery Categories

Phase I

Standing Loss

Phase II

Cargo Tanker

Aboveground Storage Tank

Motor Vehicle
“Protected” versus “Single Wall” AST Configurations
## EVR AST Compliance Deadlines

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<tr>
<th>EVR Module</th>
<th>New Installations</th>
<th>Existing Installations</th>
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<tr>
<td>Standing Loss Control</td>
<td>4/1/09</td>
<td>4/1/13</td>
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<td>Phase I</td>
<td>7/1/10</td>
<td>7/1/14(^1)</td>
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<td>Phase II(^2)</td>
<td>3/13/15</td>
<td>3/13/19</td>
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<tr>
<td>ISD</td>
<td>Pending*</td>
<td>Pending*</td>
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1 Per amended Certification Procedure 206 (April 23, 2015), specific ASTs with pre-EVR Phase I systems are allowed to continue to use their pre-EVR components until the end of their useful life before upgrading to EVR Phase I components.

2 Executive Order VR-501-B certifies balance Phase II EVR systems for protected ASTs with remote dispensing.

*The effective date for ISD (>600,000 gal/year) requirements will be the date when the first such system is certified per Executive Order G-70-213-C.
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Decision to Amend AST Phase I EVR Regulation

* In 2013, CARB staff reassessed cost-effectiveness of the original 2008 AST EVR regulation
* Standing Loss Control (SLC) was determined to be cost-effective and provided the bulk of emissions reduction
* Phase I EVR upgrade costs were higher than anticipated
* CARB and the Districts agreed to amend the regulations by taking the following steps:
  * Issued AST Phase I EVR Advisory on February 28, 2014
  * Approved amendments in a April 23, 2015, public hearing
Certain ASTs allowed to use existing Phase I system beyond July 1, 2014 based on the following factors:

- Federal ozone attainment status and non-attainment classification
- Tank throughput
- Human population density
- Amendments closely aligned with district air quality needs
Exemptions from the EVR Phase I Requirements
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AST Phase II Recommendations to the Board in 2015

- Amend Phase II EVR applicability for ASTs before the March 2019 upgrade deadline
- Cost of Phase II EVR was not clear in 2015
- Apply the same Phase I EVR criteria for determining which ASTs are subject to Phase II EVR
Current Phase II EVR Executive Order

* One Phase II EVR System certified
  * EO VR-501-B, Balance Phase II EVR System for Protected ASTs with Remote Dispensing
  * Originally issued March 13, 2015
  * Modified June 28, 2016
* Specific to the type of system required to upgrade by March 13, 2019
Examples of EO VR-501-B Components
Steps Taken to Date in Amending Phase II EVR Requirements

- Notify public of intent to begin rulemaking to amend Phase II EVR requirements
- Conduct survey to determine the cost of upgrading to Phase II EVR
- Letter sent to Districts to survey their AST populations
To propose a solution, staff will need information:

- **Costs**
  - Reach out to suppliers, installers, and the Districts

- **Emissions Impact**
  - Tank survey

- Explore current costs versus what they were assumed to be in 2008
2017 AST Survey

- Data on characteristics of AST subject to Phase I EVR within each district
  - Tank type, size, and location
  - Annual gasoline throughput
  - Maximum permitted annual throughput
  - Current Phase I EVR configuration
  - Current pre-EVR Phase II configuration
  - Integral or remote dispensing
  - Equipped with liquid condensate trap
  - AST application (retail, agricultural, fleet fueling, etc.)
  - Government owned AST
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Comments received during the 2015 Rulemaking requested the addition of terms to Definitions, D-200

- Protected AST
- Integral Dispensing
- Remote Dispensing

Staff has committed to defining the terms

Amend EO VR-501 to be consistent with the changes in the regulation
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Next Steps

* Conduct additional workshops to solicit public input in Fall 2017
  * Review and compile survey data
  * Update emissions estimates
  * Determine cost of Phase II EVR system upgrades
  * Determine cost-effectiveness based on factors such as throughput, location, etc.
  * Develop regulatory language

* Propose amendments to Board in Summer 2018
Comments/Questions?

* Can email comments or direct questions to:
  * Ms. Donielle Jackson
    donielle.jackson@arb.ca.gov or 916-445-9308
  * Ms. Merrin Wright
    merrin.wright@arb.ca.gov or 916-324-6191