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, Fall 2017
- Rulemaking Comment Period: Spring 2018
- Board Hearing: Summer 2018

ASTs Statewide

- 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

“Protected” versus “Single Wall” AST Configurations

EVR AST Compliance Deadlines

1 Per amended Certification Procedure 205 (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.
3 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.
Workshop Outline

- Background
- Phase I Amendment History
- Phase II Data Collection
- Other Issues
- Next Steps

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

2015 AST EVR Rule Change

- 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

Workshop Outline

- Background
- Phase I Amendment History
- Phase II Data Collection
- Other Issues
- Next Steps

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
Analysis To Be Performed

- 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

Workshop Outline

- Background
- Phase I Amendment History
- Phase II Data Collection
- Other Issues
- Next Steps
Additional Amendments and Actions

- 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

Workshop Outline

- Background
- Phase I Amendment History
- Phase II Data Collection
- Other Issues
- Next Steps

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
danielle.jackson@arb.ca.gov or 916-445-9308
  - Ms. Merrin Wright
merrin.wright@arb.ca.gov or 916-324-6191