



Alan C. Lloyd, Ph.D.
Agency Secretary

Air Resources Board

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Arnold Schwarzenegger
Governor

November 14, 2005

Mr. Jay McKeeman
Government Relations Director
California Independent Oil
Marketers Association
3831 N. Freeway Boulevard, Suite 130
Sacramento, California 95834

Dear Mr. McKeeman:

Thank you for your letter of November 7, 2005, presenting your concerns and comments regarding In-Station Diagnostics (ISD) based on the discussion of ISD at the Enhanced Vapor Recovery (EVR) workshop held on October 18, 2005. We understand that introduction of new technology such as ISD raises concerns about reliability, effectiveness and potential enforcement actions. Please recall that we attempted to address many ISD concerns in a letter to you dated September 6, 2005 (see enclosed). We believe the ISD data from the certification tests demonstrates that the ISD system reliably meets all of the EVR requirements and there is no reason at this time to support changes to the ISD implementation schedule. We would be happy to address any questions you may have about the ISD performance during the certification tests and we reiterate our invitation to meet with us to discuss your concerns. As I stated in our November 7, 2005, telephone conversation we would be pleased to also give you a demonstration of an operating ISD system at a local service station.

As discussed at the October workshop, we are developing two draft protocols to re-assess the cost-effectiveness of ISD for low-throughput facilities as directed by the Board and to evaluate the performance of ISD at several installations statewide. Both of these draft protocols are currently under California Air Pollution Control Officers Association (CAPCOA) review and will be made available to you and other interested stakeholders for comment as soon as possible but definitely before the end of 2005. I understand that Steve Arita and you have initiated discussions with Dick Smith, representing CAPCOA, regarding ISD enforcement polices. This is the appropriate approach since districts are responsible for vapor recovery enforcement.

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

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Finally, as mentioned during our recent telephone conversation, we are preparing responses to workshop comments from two of your members, Ed Ward and Bill Rogers. We will copy you on those letters.

Thank you again for your letter. As always, we appreciate your input and look forward to working cooperatively with you on the EVR rulemaking and ISD studies. Please feel free to contact me by email at wloscutto@arb.ca.gov or phone at (916) 445-3742 whenever you have concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "Will Loscutto". The signature is written in a cursive style with a large, circular initial "W".

William V. Loscutto, Chief
Monitoring and Laboratory Division

Enclosure

cc: Alan Lloyd
Agency Secretary

Catherine Witherspoon
Executive Officer

Kathleen Tschogl
Ombudsman

Richard Smith
San Diego County Air Pollution Control District