AGENDA:

PCAPCD Board of Directors Meeting
Thursday, February 21, 2013 2:30 P.M.
Placer County Board of Supervisors' Chambers
175 Fulweiler Avenue, Auburn, California

Call to Order

Flag Salute

Roll Call / Determination of a Quorum

Approval of Minutes: December 13, 2012, Regular Board Meeting

Public Comment: Any person desiring to address the Board on any item not on the agenda may do so at this time. No action will be taken on any issue not currently on the agenda.

Consent: Item 1

These items are expected to be routine and non-controversial. The Board will act upon these items at one time without discussion. Any Board member, Staff member, or interested citizen may request that an item be removed from the consent calendar for discussion.

1. **Request authorization to use available DMV Motor Vehicle Registration Funds and Air Quality Mitigation Funds for the 2013 CAG Program:** Adopt Budget Revision #13-01, thereby authorizing the Air Pollution Control Officer to use the available funds in the DMV Motor Vehicle Registration Fund and the Mitigation Fund for the 2013 Clean Air Grant Program

Public Hearing/Action: Item 2 & 3

2. **Conduct a Public Hearing regarding the proposed amendment of Rule 213, Gasoline Transfer into Stationary Storage Containers.** Adopt Resolution #13-01 thereby approving amendments to Rule 213, Gasoline Transfer into Stationary Storage Containers, and adopt the Recommendations and the Findings in the Staff Report.

3. **Conduct a Public Hearing regarding the proposed amendments to Rule 214 Transfer of Gasoline into Vehicle Fuel Tanks**. Adopt Resolution #13-02 thereby approving amendments to Rule 214, Transfer of Gasoline into Vehicle Fuel Tanks, and adopt the Findings and Recommendations in the Staff Report.

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Air Pollution Control Officer Report *(Verbal reports and/or handouts will be provided)*

a. 2013 CAG Program update

b. District Facility Solar Photovoltaic installation update
c. Letter to Chair from Phil Serna, California Air Resources Board appointee
d. Fiscal Update

Adjournment

Next Regularly Scheduled Board Meeting: Thursday, April 11, 2013 2:30 PM

Opportunity is provided for the members of the public to address the Board on items of interest to the public, which are within the jurisdiction of the Board. A member of the public wanting to comment upon an agenda item that is not a Public Hearing item should submit their name and identify the item to the Clerk of the Board.
Placer County Air Pollution Control District is committed to ensuring that persons with disabilities are provided the resources to participate fully in its public meetings. If you require disability-related modifications or accommodations, please contact the Clerk of the Board. All requests must be in writing and must be received by the Clerk five business days prior to the scheduled meeting for which you are requesting accommodation. Requests received after such time will be accommodated only if time permits.

District Office Telephone – (530) 745-2330

The minutes for the December 13, 2012, meeting will be posted to the website after they are approved by the board at the February 21, 2013, meeting.

Placer County
AIR POLLUTION CONTROL DISTRICT

Board Agenda

Consent/Action

Agenda Date: February 21, 2013

Prepared By: Jane Bailey, Fiscal Officer JB

Topic: Use of DMV Motor Vehicle Registration Funds and Air Quality Mitigation Funds for the 2013 Clean Air Grant Program

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Action Requested: Adopt Budget Revision #13-01 (Attachment #1), thereby authorizing the Air Pollution Control Officer to use the available funds in the DMV Motor Vehicle Registration Fund and the Mitigation Fund for the 2013 Clean Air Grant Program.

Discussion: In previous fiscal years the District Board approved funding of Clean Air Grants (CAGs) and Professional Service Agreements (PSAs). Due to various reasons some CAG agreements and PSAs were not completed and the District has disencumbered the associated funds. This action has freed up the funding to be used for other programs. The funds that became available from the DMV Fund totaled $14,000 and the funds from the Mitigation Fund totaled an additional $2,100. Also the Mitigation Fund received an additional $261,900 in revenue for the build-out of approved mitigation plan projects. These available funds, if approved for addition to the FY2012-13 budget for Clean Air Grants ($850,000), will bring the total funding for the 2013 CAG program to $1,128,000.

Fiscal Impact: There will be no fiscal impact to the District's existing budget if these funds are approved to be used for the CAG program because the additional DMV and mitigation funds that increase the budget will be expensed as grants. Simply stated, the District is requesting that the Board approve the use of now available funds from the DMV Fund and the Mitigation Fund for the 2013 CAG program.

Recommendation: Staff recommends that the Board adopt Budget Revision #13-01 thereby approving the use of DMV Motor Vehicle Registration Funds, and Air Quality Mitigation Funds for Clean Air Grants in 2013.

Attachment(s) #1. Budget Revision #13-01; Use of DMV Funds and Mitigation Funds for the 2013 Clean Air Grant Program.

ATTACHMENT #1

SUBJECT:

Budget Revision #13-01, Use of DMV Funds and
Mitigation Funds for the 2013 Clean Air Grant Program

PLACER COUNTY

BUDGET REVISION

PAS DOCUMENT NO.

Dept No.	Doc Type	Total $ Amount	Total Lines
73	BR	$ 556,000.00	4

☐ Cash Transfer Required

☐ Reserve Cancellation Required

☐ Establish Reserve Required

☐ Auditor-Controller

☐ County Executive

☐ District Board

ESTIMATED REVENUE ADJUSTMENT

Dept No.	T Code	Rev	OCA	PCA	OBJ L-3	Proj. No.	G/L Sub GL	AMOUNT
73	006		000040	45100	6783	Mitigation Rever		$264,000.00
73	006		000050	35100	7383	DMV Revenue		$ 14,000.00
					TOTAL			278,000.00

APPROPRIATION ADJUSTMENT

Dept No.	T Code	Rev	OCA	PCA	Obj L-3	Proj. No.	G/L Sub GL	AMOUNT
73	014		000040	45100	2456	Grants		$264,000.00
73	014		000050	35100	2856	CAGs		14,000.00
					TOTAL			278,000.00

REASON FOR REVISION: To increase the budgeted revenue and expenditure of the Mitigation Fund and the DMV Fund for Fiscal Year 2012-13 to match actual revenue received or disencumbered in FY2012-13.

Distribution:
All copies to Auditor

District APCO

APCD District Board Chairman

Auditor-Controller

Date: 2/21/2013

Page: 1

Budget Revision #13-01

Placer County
AIR POLLUTION CONTROL DISTRICT

Board Agenda Item

Public Hearing/Action

Agenda Date: February 21, 2013

Prepared By: Don Duffy, Associate Air Pollution Control Engineer DD

Topic: **Amendment of Rule 213, Gasoline Transfer into Stationary Storage Containers**

Action Requested:

1) Conduct a Public Hearing regarding the proposed amendment of Rule 213, Gasoline Transfer into Stationary Storage Containers.

2) Adopt Resolution #13-01 (Attachment #1), thereby approving amendments to Rule 213, Gasoline Transfer into Stationary Storage Containers, and approve and adopt the Recommendations found in this document and the Findings in the Staff Report of Attachment #2.

Discussion: Rule 213, Gasoline Transfer into Stationary Storage Containers, is the District rule that applies to the transfer of gasoline into stationary storage containers (the gasoline tanks at service stations and commonly referred to as Phase I equipment). The primary purpose of this rule is to require Phase I equipment to be California Air Resources Board (CARB) certified. Certified means that the specific equipment from each supplier has been extensively tested by CARB and verified to meet the design and emissions standards promulgated in CARB's certification specifications.

CARB has promulgated a new class of certified equipment called Standing Loss Vapor Recovery Control (SLC) which is not considered either Phase I nor Phase II and only applies to aboveground storage tanks. The SLC regulation requires the use of specific white, sun reflective paint on the external surface of the tank and the use of specific pressure/vacuum relief (P/V) valves. The purpose of this regulation is to reduce the venting of gasoline vapors from aboveground tanks due to heating by the sun which evaporates gasoline inside the tanks which is then released to the atmosphere through the P/V valve. Current District rules do not mention this SLC class of regulation. This amendment of Rule 213 adds the SLC requirements.

This proposed amendment contains an exemption from the paint requirement of SLC for large vertical tanks over 15,000 gallons in capacity that use thermal oxidizers for internal pressure control. When a thermal oxidizer is utilized it burns off excess gasoline vapors that would otherwise vent through the P/V valve directly to the atmosphere which eliminates the need for the reflective paint to reduce venting. This exemption applies to three existing facilities in the District. Two of these facilities have two gasoline tanks each, while the third facility employs three of these tanks. Two facilities have the tanks painted white, but not with the certified type of paint. The third facility has the three tanks painted white, but each has a mural painted on the sides, so the tanks are not entirely white. Most of the aboveground tanks

permitted in the District are small; 1,000 gallons capacity or less. Most of these tanks as manufactured are already certified for the paint.

In addition to the SLC provisions, the format of the rule is modified to be consistent with the current District format for rules. Some definitions, references, and wording are updated without altering the original meaning. A definition for CARB CERTIFIED has been added.

Fiscal Impact: The amendment of Rule 213 will have a fiscal impact on aboveground tank GDF permit holders as compared with business under the current rule. The rule amendment adds the SLC requirement on aboveground tank systems. This modification of existing tanks is required according to the CARB timeline of April 1, 2013. However, SLC compatibility would eventually be required under District rules when the Phase I EVR upgrade to existing aboveground tanks is required by the CARB timeline of July 1, 2014. The Executive Orders for Phase I EVR equipment all require that SLC is installed. The addition of SLC to Rule 213 accelerates the deadline by 15 months.

The cost of complying with the SLC requirement is estimated at $500 if the PV valve is not already installed and $1,000 if the tank needs to be painted with a compliant white paint. This would apply to tanks up to 1,000 gallons in size.

The exemption from painting large vertical tanks would save owners/operators of those tanks tens of thousands of dollars.

Recommendation: Staff recommends adoption of Resolution #13-01, thereby approving amended Rule 213, Gasoline Transfer into Stationary Storage Containers

Attachments #1: Resolution #13-01, Adoption of amended Rule 213, Gasoline Transfer into Stationary Storage Containers

#2**:** Staff Report

ATTACHMENT #1

Subject:

Resolution #13-01
Approval of amended Rule 213, Gasoline Transfer into Stationary Storage Containers

Placer County
AIR POLLUTION CONTROL DISTRICT

Board Resolution:

Resolution # 13-01

Before the Placer County Air Pollution Control District Board of Directors

In the Matter Of: Approve a resolution to adopt amendments to District Rule 213, Gasoline Transfer into Stationary Storage Containers as shown in Exhibit #1.

The following **RESOLUTION** was duly passed by the Placer County Air Pollution Control District Board of Directors at a regular meeting held on **February 21, 2013,** by the following vote:

Ayes: Holmes, M._____ Barkle _____ Nader_____ Weygandt_____ Ucovich _____

Holmes, J. _____ Ruslin _____ Montgomery _____ Garcia _____

Noes: Holmes, M._____ Barkle _____ Nader_____ Weygandt_____ Ucovich _____

Holmes, J. _____ Ruslin _____ Montgomery _____ Garcia _____

Abstain: Holmes, M._____ Barkle _____ Nader_____ Weygandt_____ Ucovich _____

Holmes, J. _____ Ruslin _____ Montgomery _____ Garcia _____

Signed and approved by me after its passage:

_____ Chairperson

_____ Attest: Clerk of said Board

WHEREAS, Section 40001 of the Health and Safety Code of the State of California authorizes the Placer County Air Pollution Control District to adopt and enforce Rules and Regulations to achieve and maintain ambient air quality standards within the District; and

WHEREAS, Section 40702 of the Health and Safety Code of the State of California requires a district to adopt rules and regulations and do such acts as may be necessary or proper to execute the powers and duties granted; and

WHEREAS, Section 41950 of the Health and Safety Code of the State of California requires stationary gasoline tanks be equipped with a vapor recovery system; and

WHEREAS, amendment of this regulation is categorically exempt from CEQA pursuant to Title 14, California Administrative Code, Section 15308, as an action by a regulatory agency for the protection of the environment; and

WHEREAS, these proceedings were held in a public hearing and were properly noticed pursuant to Section 40725 of the Health and Safety Code of the State of California; with any evidence having been received concerning the proposed adoption of this Resolution and this Board having duly considered such evidence;

NOW THEREFORE BE IT RESOLVED, that this Board approves and adopts amended Rule 213, Gasoline Transfer into Stationary Storage Containers, as shown in Exhibit #1.

BE IT ALSO RESOLVED AND ORDERED that the Air Pollution Control Officer is hereby authorized and directed to submit this adopted rule, in the form required by the California Air Resources Board, on behalf of the Placer County Air Pollution Control District, and to perform such acts as are necessary to carry out the purpose of this resolution.

BE IT FURTHER RESOLVED AND ORDERED that the Air Pollution Control Officer is hereby authorized and directed to submit this adopted rule for approval as a revision of the State Implementation Plan (SIP).

EXHIBIT #1

Subject:

Rule 213, Gasoline Transfer into Stationary Storage Containers

RULE 213 GASOLINE TRANSFER INTO STATIONARY STORAGE CONTAINERS

Adopted 06-19-79
(Amended 04-21-81, 05-20-85, 09-25-90, 10-19-93, 2-21-13)

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100 GENERAL

101 APPLICABILITY

101.1 The provisions of this rule shall apply to the transfer of gasoline into any stationary storage containers, except as provided in Section 102 of this rule.

102 EXEMPTIONS

102.1 The provisions of this Rule shall not apply to the transfer of gasoline into any stationary storage container:

102.1.1 Which has a capacity of less than 550 gallons and is used exclusively for the fueling of implements of husbandry as such vehicles are defined in Division 16 (Section 36000 et seq.) of the California Vehicle Code, if such container is equipped with a permanent submerged fill pipe.

102.1.2 With a capacity of 2,000 gallons or less and installed before January 1, 1979, if such container is equipped with a permanent submerged fill pipe.

102.2 The white paint provision of Standing Loss Vapor Recovery Control shall not apply to vertical, cylindrical, aboveground storage tanks over 15,000 gallons in capacity that use a combustion type vapor processor that are existing on February 21, 2013.

200 DEFINITIONS

201 AVERAGE MONTHLY THROUGHPUT: The total gasoline unloaded and dispensed in the most recent full calendar year from the facility's storage tanks divided by twelve.

202 CARB CERTIFIED: A vapor recovery system, equipment, or any component thereof, for which the CARB has evaluated its performance and issued a valid Executive Order pursuant to California Health and Safety Code Section 41954. Each component of a system that is a separate CARB certified item cannot be replaced with a non-certified item or other items that are not certified for use with the particular system. Except for qualified repairs, a CARB certified component shall be as supplied by the qualified manufacturer. A rebuilt component shall not be deemed as CARB certified unless the person who rebuilds the component is authorized by CARB to rebuild the designated CARB certified component.

203 GASOLINE: Any petroleum distillate having a Reid vapor pressure of four pounds or greater.

204 GASOLINE BULK PLANT: A distributing facility, with a throughput less than or equal to 20,000 gallons a day, which receives gasoline, stores it in stationary tanks, and loads it into tank trucks for delivery to service stations or other distribution points.

205 GASOLINE VAPORS: The displaced vapors including any entrained liquid gasoline.

206 LEAK FREE: A liquid leak of less than three drops per minute excluding losses which occur upon disconnecting transfer fittings, provided such disconnect losses do not exceed 10 milliliters (0.34 fluid ounces) per disconnect, averaged over three disconnects.

207 REID VAPOR PRESSURE: The absolute vapor pressure of volatile petroleum liquids, except liquefied petroleum gases, as determined in accordance with ASTM-323-89.

208 SUBMERGED FILL PIPE: Any fill pipe, the discharge opening of which is entirely submerged when the liquid level is 6.0 inches above the bottom of the container. "Submerged fill pipe" when applied to a container which is loaded from the side is defined as any fill pipe the discharge opening of which is entirely submerged when the liquid level is 18.0 inches above the bottom of the container.

209 VAPOR TIGHT: The concentration of total hydrocarbons, measured 1 cm from any source, not to exceed 10,000 ppm (expressed as methane) above background, as determined by EPA Reference Method 21.

210 VAPOR TIGHT GASOLINE CARGO TANK: A leak that does not exceed the standards as specified in EPA Reference Test Method 27.

300 STANDARDS

301 TRANSFER PROVISIONS

301.1 A person shall not transfer or permit the transfer of gasoline from any tank truck or trailer into any stationary storage container with a capacity of more than 250 gallons unless such container is provided with a permanent submerged fill pipe and unless such transfer is made under the following conditions:

301.1.1 The displaced gasoline vapors or gases are processed by a vapor recovery system that shall collect at least 95 percent by weight, as determined by CARB Test Procedure TP-201.1A, of the hydrocarbon vapors vented during filling of the stationary storage container and the system is CARB certified.

301.1.2 Transfer is made to a storage container equipped as required in RULE 212, STORAGE OF ORGANIC LIQUIDS.

301.2 Loading shall be accomplished in such a manner that all displaced vapor and air will be vented only to the vapor recovery system. Measures shall be taken to ensure that the loading device is leak free when it is not in use and to accomplish complete drainage before the loading device is disconnected.

301.3 The vapor recovery system shall be maintained and operated so that it does not cause the pressure in a gasoline delivery vessel to exceed 18 inches water gauge or the vacuum to exceed 6 inches water gauge.

301.4 All vapor recovery equipment and gasoline loading equipment shall be maintained in good working order and shall be leak free and vapor tight.

301.5 In no instance shall the gasoline loading operations exceed the capacity of the vapor processing unit.

301.6 No person shall store gasoline in or otherwise use or operate any gasoline delivery vessel unless such vessel is designed and maintained to be leak free and vapor tight. Any delivery vessel into which gasoline vapors have been transferred, shall be refilled only at a gasoline bulk plant or terminal that is equipped with a system that prevents at least 95 percent by weight of the gasoline vapors displaced from entering the atmosphere.

301.7 A person shall not operate any gasoline loading facility which is not subject to the provisions of RULE 215, TRANSFER OF GASOLINE INTO TANK TRUCKS, TRAILERS AND RAILROAD TANK CARS AT LOADING FACILITIES unless the

facility is equipped and operated with a system or systems to prevent the release to the atmosphere of at least 95 percent by weight, as determined by the applicable CARB Test Procedures, of the gasoline vapors displaced during the filling of the facility's stationary storage containers.

301.8 After April 1, 2013, transfer is made to an aboveground storage container equipped for Standing Loss Vapor Recovery Control as certified by the California Air Resources Board pursuant to Certification Procedure CP-206.

302 PROHIBITION OF SALE: A person shall not supply, offer for sale, sell, install or allow the installation of any new or rebuilt vapor recovery system or any of its components, unless the system and component are CARB certified. Each vapor recovery system and its components shall be clearly and permanently marked with the qualified manufacturer's name and model number as certified by CARB. In addition, any qualified manufacturer who rebuilds a component shall also clearly and permanently mark the corresponding information on the component.

400 ADMINISTRATIVE REQUIREMENTS

401 RECORDKEEPING

401.1 The owner or operator of any facility subject to the provisions of this rule shall prepare a daily log of the throughput and a summary of the throughput for the calendar year to date of the liquid compounds subject to the provisions of this rule. Such records shall be maintained at the facility for at least 2 years and shall be made available to the APCO upon request.

401.2 Records shall include the number of gasoline storage tanks serviced and their respective capacities in gallons.

401.3 In addition to the recordkeeping requirements specified herein, all provisions of RULE 410, RECORDKEEPING FOR VOLATILE ORGANIC COMPOUND EMISSION when applicable, must still be adhered to.

402 TEST METHODS: Test methods for compliance testing for this rule shall be conducted in accordance with the following test methods.

402.1 Static Torque of Rotatable Phase I Adaptors: CARB Test Procedure TP-201.1B.

402.2 Leak Rate of Drop Tube/Drain Valve Assembly Test: CARB Test ProcedureTP-201.1C.

402.3 Leak Rate of Drop Overfill Protection Devices and Spill Container Drain Valves: CARB Test Procedure TP-201.1D

402.3 Leak Rate and Cracking Pressure of P/V Valves Test: CARB Test Procedure TP-201.1E.

402.4 Static Leak Tests: CARB Test Procedure TP-201.3 or TP-201.3B as applicable.

402.5 Those vapor recovery systems whose CARB Executive Orders specify different tests to be performed instead of, or in addition to, the referenced test methods, or which, by their design, preclude the use of the referenced test methods, shall be tested in accordance with the test procedures specified in the applicable CARB Executive Orders or their equivalents as approved by the APCO and EPA.

402.6 Multiple Test Methods: When more than one test method or set of test methods is specified for any testing, a violation of any requirements of this rule established by any one of the specified test methods or set of test methods shall constitute a violation of this rule.

ATTACHMENT #2

Subject:

Staff Report, Amendment of Rule 213

PLACER COUNTY
AIR POLLUTION CONTROL DISTRICT

STAFF REPORT

RULE 213

GASOLINE TRANSFER
INTO STATIONARY STORAGE CONTAINERS

PROPOSED AMENDMENTS

FEBRUARY 21, 2013

PROPOSED AMENDMENT OF

RULE 213, GASOLINE TRANSFER INTO STATIONARY STORAGE CONTAINERS

STAFF REPORT

Executive Summary

Control of gasoline emissions from the fueling infrastructure in California is a major program area of the California Air Resources Board (ARB). State concerns with gasoline vapor emissions are twofold; health risk from breathing benzene which is a component of gasoline, and the release of Reactive Organic Compounds which contribute to ozone formation in the atmosphere. ARB is continually promulgating new and revised regulations which set the design and operating specifications for equipment used in the gasoline fueling infrastructure in the state. This equipment is then rigorously tested by ARB to confirm compliance with the specifications. Once equipment passes the testing, ARB issues what are called Executive Orders which certifies the equipment for use in California. ARB also promulgates timelines regulating when the new equipment must be added to, or replace older equipment.

Rule 213, Gasoline Transfer into Stationary Storage Containers, is the District rule that applies to the transfer of gasoline into stationary storage containers (the gasoline tanks at service stations). This rule is in need of amendment to comply with a recent new regulation from ARB. Specifically, the new controls on aboveground tanks called Standing Loss Vapor Recovery Control.

Background

There are two District rules which deal with gasoline dispensing facilities (GDF); Rule 213 which deals with the storage tank part of the GDF and Rule 214, Transfer of Gasoline into Vehicle Fuel Tanks, which deals with the dispensing part of the facility. ARB regulations have historically been divided into Phase I which deals with the storage tank, and Phase II which deals with the dispensing of gasoline. District Rule 213 requires that equipment be ARB certified as Phase I equipment, and District Rule 214 requires this equipment be Phase II certified.

The Standing Loss regulation is neither Phase I nor Phase II, but a third class of regulation. Current District rules do not mention this Standing Loss class of regulation. This amendment of Rule 213 will add the Standing Loss requirements.

Discussion of Proposed Rule 213 Significant Changes

Discussed below are descriptions of the significant changes in Rule 213. In addition to these significant changes, the format of the rule is modified to be consistent with the current District format for rules. Some definitions, references, and wording are updated without altering the original meaning. Added a definition for CARB CERTIFIED.

A strikeout version of the amended rule is included as Attachment A to this staff report.

Requirement for Standing Loss Certified Equipment

The Standing Loss regulation requires the use of specific white, sun reflective paint on the external surface of aboveground tanks; and the use of new pressure and vacuum relief valves. The purpose of this regulation is to reduce the venting of gasoline vapors from tanks due to heating by the sun which evaporates gasoline inside the tanks and is then released to the atmosphere through the pressure relief valve.

Section 301.8 is added to the Standards section of the rule which requires:

Transfer is made to an aboveground storage container equipped for Standing Loss Vapor Recovery Control as certified by the California Air Resources Board after April 1, 2013.

ARB certifies equipment for installation of new aboveground storage tanks in Executive Order (EO) VR-302 and for upgrading existing aboveground tanks in VR-301. The timeline for Standing Loss compliant new tank installations was April 1, 2009. This means that new tanks installed after this date needed to comply with the regulation.

The bigger issue is that existing aboveground tanks will need to be upgraded to be Standing Loss compliant by April 1, 2013. The EO for upgrading existing tanks is VR-301.

Most of the popular manufacturers of protected aboveground tanks (SuperVault, Fireguard, ConVault, Hoover Vault, and Jensen Armor Cast) have been supplying white painted tanks for years that are now certified for Standing Loss. Thus, many existing tanks already comply with the paint requirement.

The other requirement of Standing Loss is using the Husky Model 5885 Pressure Vacuum Vent Valve (PV Valve). Many existing tanks already utilize this valve due to the fact that PV valves often fail and are replaced with the Husky valve. The cost of a new Husky valve is about $500.

Tanks that are not certified due to not being manufactured by one of the listed manufacturers, or are painted some other color than white, will need to be repainted with one of the four certified white paints.

There are currently approximately 85 aboveground tanks permitted in the District that will be subject to the Standing Loss regulation.

<u>Exemption</u>

Most of the aboveground tanks permitted in the District are small; 1,000 gallons capacity or less. Most of these tanks as manufactured are already certified for the paint. There are a few facilities that employ multiple large vertical tanks that are not certified and would need to be painted. Three existing facilities in Placer County utilize multiple tanks of approximately 20,000 gallons capacity each. Two of these facilities have two gasoline tanks each, while the third facility employs three of these tanks. Two facilities have the tanks painted white, but not with the certified paint type. The third facility has the three tanks painted white, but has a mural painted on the sides, so the tanks are not entirely white.

Certified paint is rather expensive. The District has reports that painting a 1,000 gallon tank costs about $1,000, consisting of $500 for the paint and $500 for application of the paint. Painting of multiple 20,000 gallon tanks will likely cost tens of thousands of dollars.

The three facilities with the large tanks mentioned above all employ combustion type vapor processors for pressure management in the tanks. This type of vapor processor functions by burning off gasoline vapors to keep the internal tank pressure from rising above atmospheric pressure. This type of control is more effective in reducing gasoline vapor emissions than relying on white paint to reduce gasoline emissions from solar heating of the tank. This is because the vapor processors burn the gasoline vapors with approximately 99% efficiency, while the Standing Loss approach still releases some raw vapors to the atmosphere through the PV valve.

For this reason, the District desires to exempt these large tanks from the painting provision of Standing Loss. The exemption reads:

102.2 The white paint provision of Standing Loss Vapor Recovery Control shall not apply to vertical, cylindrical, aboveground storage tanks over 15,000 gallons in capacity that use a combustion type vapor processor that are existing on February 21, 2013

Prohibition of Sale

A provision is added to the rule that makes equipment manufacturers responsible for supplying only CARB certified equipment. Without this new provision, the District would have no enforcement authority over the manufacturers of the equipment. New section 302 reads:

302 A person shall not supply, offer for sale, sell, install or allow the installation of any new or rebuilt vapor recovery system or any of its components, unless the system and component are CARB certified. Each vapor recovery system and its components shall be clearly and permanently marked with the qualified manufacturer's name and model number as certified by CARB. In addition, any qualified manufacturer who rebuilds a component shall also clearly and permanently mark the corresponding information on the component.

Test Methods

The test methods section of the rule is amended to change from EPA general test methods to CARB test methods which are specific to the certified enhanced vapor recovery equipment. The new wording of the section is:

402 TEST METHODS: Test methods for compliance testing for this rule shall be in accordance with CARB vapor recovery test procedures.

EPA commented that the rule section on test procedures should list the applicable test procedures instead of only saying that test methods for compliance testing shall be in accordance with CARB vapor recovery test procedures. Staff responded by explaining that CARB is currently reviewing the compliance test procedures and is attempting to eliminate some procedures and combine others in a single procedure. This effort will likely make a current listing of procedures inaccurate and require a subsequent amendment of Rule 213. The wording of the section was modified to add the CARB test methods. A section was added to allow other test methods that may be specified at a later time by the Executive Orders:

402 TEST METHODS: *Test methods for compliance testing for this rule shall be conducted in accordance with the following test methods.*

402.1 Static Torque of Rotatable Phase I Adaptors: CARB Test Procedure TP-201.1B.

402.2 Leak Rate of Drop Tube/Drain Valve Assembly Test: CARB Test ProcedureTP-201.1C.

402.3 Leak Rate of Drop Overfill Protection Devices and Spill Container Drain Valves: CARB Test Procedure TP-201.1D

402.3 Leak Rate and Cracking Pressure of P/V Valves Test: CARB Test Procedure TP-201.1E.

402.4 Static Leak Tests: CARB Test Procedure TP-201.3 or TP-201.3B as applicable.

402.5 Those vapor recovery systems whose CARB Executive Orders specify different tests to be performed instead of, or in addition to, the referenced test methods, or which, by their design, preclude the use of the referenced test methods,

shall be tested in accordance with the test procedures specified in the applicable CARB Executive Orders or their equivalents as approved by the APCO and EPA.

402.6 *Multiple Test Methods:* *When more than one test method or set of test methods is specified for any testing, a violation of any requirements of this rule established by any one of the specified test methods or set of test methods shall constitute a violation of this rule.*

Fiscal Impact

The amendment of Rule 213 will have a fiscal impact on aboveground tank GDF permit holders as compared with business under the current rule. The rule amendment adds the Standing Loss requirement on aboveground tank systems. This modification of existing tanks is required according to the CARB timeline of April 1, 2013. However, Standing Loss compatibility would eventually be required under District rules when the Phase I EVR upgrade to existing aboveground tanks is required by the CARB timeline of July 1, 2014. The EOs for Phase I EVR equipment all require that Standing Loss is installed. The addition of Standing Loss to Rule 213 accelerates the deadline by 15 months.

The cost of complying with the Standing Loss requirement is estimated at $500 if the PV valve is not already installed and $1,000 if the tank needs to be painted with a complying white paint. This would apply to tanks up to 1,000 gallons in size.

The exemption from painting large vertical tanks would save owners/operators of those tanks tens of thousands of dollars.

Outreach

The public was notified of the proposed amendment of Rule 213 through a newspaper notice and direct mailer of a notice to each permitted gasoline dispensing facility in the District. The notice specified the time and place of the public hearing to adopt the amended rule, and referenced the District website where the rule and staff report could be reviewed.

The draft rule amendments and staff report were sent to EPA and ARB for comment. ARB responded with no comment. EPA responded with one comment. The EPA comment is addressed above in the test methods section.

Analysis and Findings

The following Analysis and the subsequent Findings are intended to address the requirements set forth in the Health and Safety Code relating to adoption of a new or amended District Rule, as well as other State statutes referenced herein.

Cost-Effectiveness of a Control Measure

California Health & Safety Code (H&S) Section 40703 requires a District to consider and make public “the cost-effectiveness of a control measure”. The cost-effectiveness of the Standing Loss requirement has been addressed by CARB when the Standing Loss regulation was originally promulgated.

Socioeconomic Impact

H&S Section 40728, in relevant part, requires the Board to consider the socioeconomic impact of any new rule if air quality or emission limits are significantly affected. However, Districts with a population of less than 500,000 persons are exempted from the socioeconomic analysis. In 2011, the population of Placer County was approximately 352,000 persons. Therefore, the District is not required to consider the socioeconomic impacts of the proposed rule amendment.

California Environmental Quality Act (CEQA)

Proposed amended Rule 213 is not an activity that may cause a direct or reasonably foreseeable indirect physical effect in the environment therefore not considered a "project", as defined by Section 21065 of the California Public Resource Code and Section 15378(b)(4)&(5) of the CEQA guidelines.

According to the above conclusion, Staff finds that the proposed rule is exempt from the California Environmental Quality Act (CEQA) because 1) it can be seen with certainty that there is no possibility that the activity in question may have a significant adverse effect on the environment (CEQA Guidelines §15061(b) (3)) and 2) it is an action by a regulatory agency for protection of the environment (Class 8 Categorical Exemption, CEQA Guidelines §15308). A CEQA analysis is therefore not necessary.

Findings

A. **Necessity** – The amendment of Rule 213 is necessary in order to incorporate updated California Air Resources Board (CARB) requirements for gasoline dispensing facilities. This rule amendment will provide the District with enforcement authority for CARB Standing Loss regulations.

B. **Authority** – California Health and Safety Code, Sections 40702, 41511, and 42303 are provisions of law that provide the District with the authority to adopt this amended Rule.

C. **Clarity** – There is no indication, at this time, that the proposed Rule is written in such a manner that persons affected by the Rule cannot easily understand them.

D. **Consistency** – The regulation is in harmony with, and not in conflict with or contradictory to, existing statutes, court decisions, or state or federal regulations.

E. **Non-duplication** – The regulation does not impose the same requirements as an existing state or federal regulation.

F. **Reference** – All statutes, court decisions, and other provisions of law used by PCAPCD in interpreting this regulation is incorporated into this analysis and this finding by reference.

ATTACHMENT TO STAFF REPORT

Subject:

Rule 213, Gasoline Transfer into Stationary Storage Containers (Strikeout Version)

RULE 213 GASOLINE TRANSFER INTO STATIONARY STORAGE CONTAINERS

Adopted 06-19-79
(Amended 04-21-81, 05-20-85, 09-25-90, 10-19-93, 2-14-13)

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10.0 GENERAL

10.1 APPLICABILITY

10.1.1 The provisions of this rule shall apply to the transfer of gasoline into any stationary storage containers, except as provided in Section 3.2102 of this rule.

102 EXEMPTIONS

102.1 The provisions of this Rule shall not apply to the transfer of gasoline into any stationary storage container:

102.1.1 Which has a capacity of less than 550 gallons and is used exclusively for the fueling of implements of husbandry as such vehicles are defined in Division 16 (Section 36000 et seq.) of the California Vehicle Code, if such container is equipped with a permanent submerged fill pipe.

102.1.2 With a capacity of 2,000 gallons or less and installed before January 1, 1979, if such container is equipped with a permanent submerged fill pipe.

102.2 The white paint provision of Standing Loss Vapor Recovery Control shall not apply to vertical, cylindrical, aboveground storage tanks over 15,000 gallons in capacity that use a combustion type vapor processor that are existing on February 21, 2013.

20.0 DEFINITIONS

20.1 AVERAGE MONTHLY THROUGHPUT: is defined as tThe total gasoline unloaded and dispensed in the most recent full calendar year from the facility's storage tanks divided by twelve.

202 CARB CERTIFIED: A vapor recovery system, equipment, or any component thereof, for which the CARB has evaluated its performance and issued a valid Executive Order pursuant to California Health and Safety Code Section 41954. Each component of a system that is a separate CARB certified item cannot be replaced with a non-certified item or other items that are not certified for use with the particular system. Except for qualified repairs, a CARB certified component shall be as supplied by the qualified manufacturer. A rebuilt component shall not be deemed as CARB certified unless the person who rebuilds the component is authorized by CARB to rebuild the designated CARB certified component.

20.3 GASOLINE: is defined as Petroleum Any petroleum distillates used as motor fuel with having a Reid vapor pressure greater than 4.0 poundsof four pounds or greater.

20.4 GASOLINE BULK PLANT: - is defined as aA distributing facility, with a throughput less than or equal to 20,000 gallons a day, which receives gasoline, stores it in stationary tanks, and loads it into tank trucks for delivery to service stations or other distribution points.

20.5 GASOLINE VAPORS: - are defined as tThe displaced vapors including any entrained liquid gasoline.

20.6 LEAK FREE: - is defined as aA liquid leak of less than three drops per minute excluding losses which occur upon disconnecting transfer fittings, provided such disconnect losses do not exceed 10 milliliters (0.34 fluid ounces) per disconnect, averaged over three disconnects.

20.7 REID VAPOR PRESSURE: - ~~is defined as t~~The absolute vapor pressure of volatile ~~crude oil and volatile non-viscous~~ petroleum liquids, except liquefied petroleum gases, ~~and~~ as determined ~~by~~ in accordance with ASTM-323-~~58~~89.

20.8 SUBMERGED FILL PIPE: - ~~is defined as a~~Any fill pipe, the discharge opening of which is entirely submerged when the liquid level is 6.0 inches above the bottom of the container. "Submerged fill pipe" when applied to a container which is loaded from the side is defined as any fill pipe the discharge opening of which is entirely submerged when the liquid level is 18.0 inches above the bottom of the container.

20.9 VAPOR TIGHT: - ~~is defined as t~~The concentration of total hydrocarbons, measured 1 cm from any source, not to exceed 10,000 ppm (expressed as methane) above background, as determined by EPA Reference Method 21.

2~~0~~1.~~9~~0 VAPOR TIGHT GASOLINE CARGO TANK: - ~~is defined as a~~A leak that does not exceed the standards as specified in EPA Reference Test Method 27.

30.0 STANDARDS

30.1 TRANSFER PROVISIONS

30.1.1 A person shall not transfer or permit the transfer of gasoline from any tank truck or trailer into any stationary storage container with a capacity of more than 250 gallons unless such container is provided with a permanent submerged fill pipe and unless such transfer is made under the following conditions:

30.1.1.1~~2~~ The displaced gasoline vapors or gases are processed by a vapor recovery system that shall collect at least 95 percent by weight, as determined by CARB Test ~~Method 2-3~~Procedure TP-201.1A, of the hydrocarbon vapors vented during filling of the stationary storage container and the system ~~has been certified for installation by the California Air Resources Board~~is CARB certified.

30.1.1.2~~3~~ Transfer is made to a storage container equipped as required in RULE 212, STORAGE OF ORGANIC LIQUIDS.

30.1.4~~2~~ Loading shall be accomplished in such a manner that all displaced vapor and air will be vented only to the vapor recovery system. Measures shall be taken to ensure that the loading device is leak free when it is not in use and to accomplish complete drainage before the loading device is disconnected.

30.1.~~5~~3 The vapor recovery system shall be maintained and operated so that it does not cause the pressure in a gasoline delivery vessel to exceed 18 inches water gauge or the vacuum to exceed 6 inches water gauge.

30.1.~~6~~4 All vapor recovery equipment and gasoline loading equipment shall be maintained in good working order and shall be leak free and vapor tight.

30.1.~~7~~5 In no instance shall the gasoline loading operations exceed the capacity of the vapor processing unit.

30.1.86 No person shall store gasoline in or otherwise use or operate any gasoline delivery vessel unless such vessel is designed and maintained to be leak free and vapor tight. Any delivery vessel into which gasoline vapors have been transferred, shall be refilled only at a gasoline bulk plant or terminal that is equipped with a system that prevents at least 95 percent by weight of the gasoline vapors displaced from entering the atmosphere.

30.1.97 A person shall not operate any gasoline loading facility which is not subject to the provisions of RULE 215, TRANSFER OF GASOLINE INTO TANK TRUCKS, TRAILERS AND RAILROAD TANK CARS AT LOADING FACILITIES unless:

30.1.7.110 The the facility is equipped and operated with a system or systems to prevent the release to the atmosphere of at least 95 percent by weight, as determined by the applicable CARB Test Method 2-3Procedures, of the gasoline vapors displaced during the filling of the facility's stationary storage containers; and.

30.1.11 7.2 The facility is equipped and operated with a CARB pressure-vacuum relief valve on the above ground stationary storage containers with a minimum pressure valve setting of 90 percent of the maximum safe pressure and vacuum ratings of the containers, provided that such setting will not exceed the container's maximum pressure rating.

301.128 After April 1, 2013, transfer is made to an aboveground storage container equipped for Standing Loss Vapor Recovery Control as certified by the California Air Resources Board pursuant to Certification Procedure CP-206.

302 PROHIBITION OF SALE: A person shall not supply, offer for sale, sell, install or allow the installation of any new or rebuilt vapor recovery system or any of its components, unless the system and component are CARB certified. Each vapor recovery system and its components shall be clearly and permanently marked with the qualified manufacturer's name and model number as certified by CARB. In addition, any qualified manufacturer who rebuilds a component shall also clearly and permanently mark the corresponding information on the component.

3.2 EXEMPTIONS

3.2.1 The provisions of this Rule shall not apply to the transfer of gasoline into any stationary storage container:

3.2.2 Which has a capacity of less than 550 gallons and is used exclusively for the fueling of implements of husbandry as such vehicles are defined in Division 16 (Section 3600 et seq.) of the California Vehicle Code, if such container is equipped with a permanent submerged fill pipe.

3.2.3 With a capacity of 2,000 gallons or less and installed before January 1, 1979, if such container is equipped with a permanent submerged fill pipe.

3.3 TEST METHODS

3.3.1 Reference methods for compliance testing for this rule are specified in 40 CFR 60.503.

3.3.2 EPA Reference Method 21 shall be used to test for vapor tight condition or liquid leaks.

40.0 ADMINISTRATIVE REQUIREMENTS

~~40.1 COMPLIANCE SCHEDULE~~

~~40.1.1 Any source of emission subject to this Rule, installed on or after January 1, 1979, shall comply with the provisions of this Rule no later than six months from the date of adoption.~~

40.~~2~~1 RECORDKEEPING

40.~~2~~1.1 The owner or operator of any facility subject to the provisions of this rule shall prepare a daily log of the throughput and a summary of the throughput for the calendar year to date of the liquid compounds subject to the provisions of this rule. Such records shall be maintained at the facility for at least 2 years and shall be made available to the APCO upon request.

40.~~2~~1.2 Records shall include the number of gasoline storage tanks serviced and their respective capacities in gallons.

40.~~2~~1.3 In addition to the recordkeeping requirements specified herein, all provisions of ~~Regulation IV,~~ RULE 410, RECORDKEEPING FOR VOLATILE ORGANIC COMPOUND EMISSION when applicable, must still be adhered to.

~~4~~**02 TEST METHODS:** Test methods for compliance testing for this rule shall be conducted in accordance with the following test methods.

402.1 Static Torque of Rotatable Phase I Adaptors: CARB Test Procedure TP-201.1B.

402.2 Leak Rate of Drop Tube/Drain Valve Assembly Test: CARB Test ProcedureTP-201.1C.

402.3 Leak Rate of Drop Overfill Protection Devices and Spill Container Drain Valves: CARB Test Procedure TP-201.1D

402.3 Leak Rate and Cracking Pressure of P/V Valves Test: CARB Test Procedure TP-201.1E.

402.4 Static Leak Tests: CARB Test Procedure TP-201.3 or TP-201.3B as applicable.

402.5 Those vapor recovery systems whose CARB Executive Orders specify different tests to be performed instead of, or in addition to, the referenced test methods, or which, by their design, preclude the use of the referenced test methods, shall be tested in accordance with the test procedures specified in the applicable CARB Executive Orders or their equivalents as approved by the APCO and EPA.

402.6 Multiple Test Methods: When more than one test method or set of test methods is specified for any testing, a violation of any requirements of this rule established by any one of the specified test methods or set of test methods shall constitute a violation of this rule.

Placer County
AIR POLLUTION CONTROL DISTRICT

Board Agenda

Public Hearing/Action

Agenda Date: February 21, 2013

Prepared By: Ann Hobbs, Air Quality Specialist

Topic: Amendment of Rule 214, Transfer of Gasoline into Vehicle Fuel Tanks

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Action Requested:

1) Conduct a Public Hearing regarding the adoption of proposed amendments to Rule 214 Transfer of Gasoline into Vehicle Fuel Tanks.

2) Adopt Resolution #13-02 (Attachment #1), thereby approving amended Rule 214, Transfer of Gasoline into Vehicle Fuel Tanks, as shown in Exhibit I.

3) Adopt and approve the Findings in the Staff Report of Attachment #2.

Discussion: On April 9, 2009, the District Board adopted amended Rule 214, Transfer of Gasoline into Vehicle Fuel Tanks, which provided an exemption for non-retail gasoline dispensing facilities from Phase II vapor recovery requirements when 95% of vehicles refueled at the facility are equipped with on-board vapor recovery systems.

The District submitted the proposed amended rule to the California Air Resources Board (CARB) for transmittal to the US EPA for inclusion in Placer County's State Implementation Plan (SIP). In early 2012, the U.S. EPA contacted the District to discuss three areas of concern before the rule could be recommended for approval. These areas of concern were not part of the changes adopted. It should be noted that this rule was last revised on October 19, 1993, and was approved into the SIP on April 30, 1997.

District staff worked with the U.S. EPA staff so that the proposed wording changes would be acceptable. Additional or modified wording has been added to the rule, along with updating the rule to the standardized rule format. Finally, some grammar was corrected and obsolete sections were deleted as noted in Exhibit 1 of the Staff Report.

Fiscal Impact: The amendment of Rule 214 will not have a fiscal impact on those sites required to install Phase II vapor recovery. The changes that are being made are not going to have to change the way the District has been administering this rule.

Recommendation: Staff recommends that the District Board, in a public hearing:

1) Adopt Resolution #13-02, thereby approving amended Rule 214, Transfer of Gasoline into Vehicle Fuel Tanks; and

2) Adopt and approve the Findings in the Staff Report (Attachment #2).

Attachments: #1: Resolution #13-02, Approving Amended Rule 214, Transfer of Gasoline into Vehicle Fuel Tanks.

#2 Staff Report

ATTACHMENT #1

Subject:

Resolution #13-02
Amendment of Rule 214, Transfer of Gasoline into Vehicle Fuel Tanks, and Exhibit I

Placer County
AIR POLLUTION CONTROL DISTRICT

Board Resolution:

Resolution # 13-02

Before the Placer County Air Pollution Control District Board of Directors

In the Matter Of: Approve a resolution to adopt amendments to District Rule 214, Transfer of Gasoline into Vehicle Fuel Tanks, as shown in Exhibit I.

The following **RESOLUTION** was duly passed by the Placer County Air Pollution Control District Board of Directors at a regular meeting held on **February 21, 2013**, by the following vote:

Ayes: Holmes, M._____ Barkle _____ Nader_____ Weygandt_____ Ucovich _____

Holmes, J. _____ Ruslin _____ Montgomery _____ Garcia _____

Noes: Holmes, M._____ Barkle _____ Nader_____ Weygandt_____ Ucovich _____

Holmes, J. _____ Ruslin _____ Montgomery _____ Garcia _____

Abstain: Holmes, M._____ Barkle _____ Nader_____ Weygandt_____ Ucovich _____

Holmes, J. _____ Ruslin _____ Montgomery _____ Garcia _____

Signed and approved by me after its passage:

_____ Chairperson

_____ Attest: Clerk of said Board

WHEREAS, Section 40001 of the Health and Safety Code of the State of California authorizes the Placer County Air Pollution Control District, to adopt and enforce rules and regulations to achieve and maintain ambient air quality standards within the District; and

WHEREAS, Section 40702 of the Health and Safety Code of the State of California requires a district to adopt rules and regulations and do such acts as may be necessary or proper to execute the powers and duties granted; and

WHEREAS, amendment of this regulation is categorically exempt from CEQA pursuant to Title 14, California Administrative Code, Section 15308, as an action by a regulatory agency for the protection of the environment; and

WHEREAS, these proceedings were held in a public hearing and were properly noticed pursuant to Section 40725 of the Health and Safety Code of the State of California; with any evidence having been received concerning the proposed adoption of this resolution and this Board having duly considered such evidence; and

WHEREAS, the Board has determined that a need exists to amend Rule 214 to address State Implementation Plan revision approvability comments and rule improvement recommendations from the United States Environmental Protection Agency staff, to make necessary clarification and improvement changes identified by District staff, and to correct grammar, spelling and typographical errors.

NOW THEREFORE BE IT RESOLVED, that this Board approves and adopts amended Rule 214, Transfer of Gasoline into Vehicle Fuel Tanks, as shown in Exhibit I.

BE IT FURTHER RESOLVED, that the Air Pollution Control Officer is hereby authorized and directed to request that amended Rule 214, Transfer of Gasoline into Vehicle Fuel Tanks, be adopted by California Air Resources Board into the State Implementation Plan (SIP) and that approval of the revision to the SIP be requested of the United States Environmental Protection Agency, on behalf of the Placer County Air Pollution Control District.

EXHIBIT 1

District Rule 214,

TRANSFER OF GASOLINE INTO VEHICLE FUEL TANKS

RULE 214 TRANSFER OF GASOLINE INTO VEHICLE FUEL TANKS

Adopted 06-19-79
(Amended 04-21-81, 10-19-93, 04-09-09, 02-21-13)

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100 GENERAL

101 APPLICABILITY: The provisions of this rule shall apply to the transfer of gasoline from any stationary storage tank into any motor vehicle fuel tank.

102 EXEMPTIONS

102.1 Non Retail Gasoline Dispensing Facilities: The provisions of Section 301 shall not be subject to non-retail gasoline dispensing facilities located in that part of Placer County east of Range 8, Mount Diablo Base and Meridian.

102.2 Gasoline Dispensing to Non-Retail Motor Vehicles with Onboard Refueling Vapor Recovery: Transfer of gasoline from any storage tank into a vehicle fuel tank is exempt from Section 301 at any non-retail motor vehicle fueling facility where 95 percent of vehicles refueled are equipped with Onboard Refueling Vapor Recovery provided that the Phase II vapor recovery system, if previously installed, has been properly removed in a manner approved in writing by the Air Pollution Control Officer.

102.2.1 To qualify for this exemption, the gasoline dispenser(s) must be owned and operated by the owner of the vehicle fleet and exclusively dedicated to fueling the fleet.

102.2.2 An operator claiming this exemption shall keep a record of the make, model, model year, and vehicle identification number of all vehicles refueled at the gasoline dispensing operation. These records shall be maintained on the premises for at least five calendar years with a submittal of quarterly records to the Air District in order to demonstrate annual compliance with 95% Onboard Refueling Vapor Recovery. In lieu of refueling records, the Air Pollution Control Officer may approve an alternative method for verifying or ensuring that only vehicles equipped with Onboard Refueling Vapor Recovery are refueled at such facility.

102.3 Flexible Fuel Vehicle Fuel Tank: Transfer of E85 from any storage tank into a Flexible Fuel Vehicle fuel tank at any retail service station or non-retail motor vehicle fueling facility is exempt from Section 301. E85 is defined as a petroleum distillate/alcohol blend having a Reid vapor pressure of 4.0 pounds per square inch or greater and meeting the requirements of Title 13 California Code of Regulations, Section 2250 et seq., and as further defined in Title 12 California Code of Regulations Section 2250(b) and containing a minimum 15 percent of petroleum distillate and a maximum 85 percent of ethyl alcohol.

102.4 Maintenance and Repair: Only during the active repair of equipment, can the "Out of Order" tag be removed.

200 DEFINITIONS

201 CARB CERTIFIED: A vapor recovery system, equipment, or any component thereof, for which the CARB has evaluated its performance and issued a valid Executive Order pursuant to California Health and Safety Code Section 41954. Each component of a system that is a separate CARB certified item cannot be replaced with a non-certified item or other items that are not certified for use with the particular system. Except for qualified repairs, a CARB certified component shall be as supplied by the qualified manufacturer. A rebuilt component shall not be deemed as CARB certified unless the person who rebuilds the component is authorized by CARB to rebuild the designated CARB certified component.

202 **GASOLINE:** Any petroleum distillate having a Reid vapor pressure of four pounds or greater.

203 **LEAK FREE:** A liquid leak of no greater than three drops per minute.

204 **MAJOR DEFECT:** Any defect that meets the criteria of California Code of Regulations, Title 17, Division III, Chapter 1, Subchapter 8, Article 1, Section 94006 and is listed on CARB's Vapor Recovery Equipment Defects (VRED) list or is specified within the Executive Order certifying the vapor recovery system.

205 **MINOR DEFECT:** A defect in any gasoline dispensing equipment, which renders the equipment out of good working order but which does not constitute a major defect.

206 **MOTOR VEHICLE:** Any vehicle registered with the California Department of Motor Vehicles.

207 **REID VAPOR PRESSURE:** The absolute vapor pressure of volatile crude oil and volatile non-viscous petroleum liquids, except liquefied petroleum gases, and determined by ASTM-323-89.

208 **VAPOR TIGHT:** The concentration of total hydrocarbons, measured 1 cm from any source, not to exceed 10,000 ppm (expressed as methane) above background, as determined by EPA Reference Method 21.

300 STANDARDS

301 **GASOLINE TRANSFER:** A person shall not transfer or permit the transfer of gasoline from a stationary storage container subject to the provisions of RULE 213, GASOLINE TRANSFER INTO STATIONARY STORAGE CONTAINERS into any motor vehicle fuel tank of greater than 5 gallons capacity unless such transfer is made through a fill nozzle which directs the gasoline vapors displaced by the transfer through the fill nozzle to a system that is CARB certified and will prevent at least 95 percent by weight of such gasoline vapors from entering the atmosphere.

301.1 The vapor recovery system is operating in accordance with the applicable CARB Executive Orders, the manufacturer's specifications, and is maintained to be leak free, vapor tight, and in good working order; and

301.2 The equipment is operated and maintained without any major defects.

302 **POSTING OF OPERATING INSTRUCTIONS:** Each gasoline dispensing facility utilizing a Phase II system shall conspicuously post operating instructions for the system in the gasoline dispensing area. The instructions shall clearly describe how to fuel vehicles correctly with vapor recovery nozzles utilized at the station and shall include a warning that repeated attempts to continue dispensing, after the system having indicated that the vehicle fuel tank is full (topping off), is prohibited, and may result in spillage or recirculation of gasoline pursuant to California Health and Safety Code Section 41960.4.

303 **PROHIBITION OF SALE:** A person shall not supply, offer for sale, sell, install or allow the installation of any new or rebuilt vapor recovery system or any of its components, unless the system and component are CARB certified. Each vapor recovery system and its components shall be clearly and permanently marked with the qualified manufacturer's name and model number as certified by CARB. In addition, any qualified manufacturer who rebuilds a component shall also clearly and permanently mark the corresponding information on the component.

304 MAINTENANCE AND REPAIR

304.1 Major Defect: No person shall operate any CARB certified vapor recovery system or any portion thereof, or CARB certified vapor recovery equipment that has a major defect.

304.1.1 Upon the identification of any major defect, the owner or operator shall tag "Out-of-Order" all dispensing equipment for which vapor recovery has been impaired.

304.1.2 Except during active repair activity, the “Out of Order” tag on the tagged equipment shall be rendered inoperable and the tag(s) shall not be removed until the equipment has been repaired, replaced, or adjusted as necessary.

304.2 Minor Defect: The owner/operator shall repair or replace any vapor recovery component or equipment having a minor defect within seven days, pursuant to Section 41960.2(e) of the California Health and Safety Code.

400 ADMINSTRATIVE REQUIREMENTS

401 TEST METHODS: Test methods for compliance testing for this rule shall be conducted in accordance with the following test methods.

401.1 Determination of 2 Inch WC Static Pressure Performance of Vapor Recovery Systems of Dispensing Facilities (static pressure (leak decay)) test: CARB Test Procedure TP-201.3, TP-201.3B, or TP-206.3, as applicable.

401.2 Dynamic back pressure test: CARB Test Procedure TP-201.4.

401.3 Determination of Liquid Removal of Phase II Vapor Recovery Systems of Dispensing Facilities: CARB Test Procedure TP-201.6.

401.4 Gasoline Liquid Retention in Nozzles and Hoses: CARB Test Procedure TP-201.2E.

401.5 Determination of Static Pressure Performance of the (Franklin Fueling Systems) Healy Clean Air Separator: CARB Test Procedure in Executive Orders VR-201 and VR-202 Series and VR-203 and VR-204 Series and VR-209 Series.

401.6 Vapor to Liquid Volume Ratio CARB Test Procedure in Executive Orders VR-201 and VR-202 Series.

401.7 Nozzle Bag Test Procedure: CARB Test Procedure in Executive Orders VR-201 and VR-202 Series and VR-203 and VR-204 Series.

401.8 Veeder-Root ISD Operability Test: CARB Test Procedure in Executive Orders VR-201 and VR-202 Series.

401.9 FFS INCON ISD Operability Test: CARB Test Procedure in Executive Orders VR-201 and VR-202 Series.

401.10 Liquid Condensate Trap Compliance Procedure: CARB Test Procedure in Executive Orders VR-201 and VR-202 Series and VR-203 and VR-204 Series.

401.11 Healy VP1000 Vacuum Pump Test: Test Procedure in the Installation and Operation Manual for CARB Executive Orders VR-201 and VR-202 Series.

401.12 Liquid Removal Test Procedure: Test Procedure in the Executive Orders VR-203 and VR-204 Series.

401.13 VST ECS; Hydrocarbon Sensor Verification Test Procedure: Test Procedure in the Executive Orders VR-203 and VR-204 Series.

401.14 VST ECS; Determination of Processor Activation Pressure: Test Procedure in the Executive Orders VR-203 and VR-204 Series.

401.15 Veeder-Root; Vapor Pressure Sensor Verification Test Procedure: Test Procedure in the Executive Orders VR-203 and VR-204 Series.

401.16 Veeder-Root Vapor Polisher; Operability Test Procedure: Test Procedure in the Executive Orders VR-203 and VR-204 Series.

401.17 Veeder-Root Vapor Polisher; Hydrocarbon Emissions Verification Test Procedure: Test Procedure in the Executive Orders VR-203 and VR-204 Series.

401.18 Hirt VCS 100 Processor with Indicator Panel Operability Test Procedure: Test Procedure in the Executive Orders VR-203 and VR-204 Series, VR 205 Series, and VR-207 and VR-208 Series.

401.19 Veeder-Root; ISD Vapor Flow Meter Operability Test Procedure: Test Procedure in the Executive Orders VR-203 and VR-204 Series.

401.20 INCON ISD System Vapor Flow Meter Operability Test Procedure Test Procedure in the Executive Orders VR-207 and VR-208 Series.

401.21 INCON ISD System Vapor Pressure Sensor Verification Test Procedure Test Procedure in the Executive Orders VR-207 and VR-208 Series.

401.22 Only calibrated equipment meeting the calibration range and intervals specified by CARB and the equipment manufacturer shall be used to conduct any performance or reverification test.

401.23 Those vapor recovery systems whose CARB Executive orders specify different tests to be performed instead of, or in addition to, the referenced test methods, or which, by their design, preclude the use of the referenced test methods, shall be tested in accordance with the test procedures specified in the applicable CARB Executive Orders or their equivalents as approved by the APCO.

401.24 Multiple Test Methods: When more than one test method or set of test methods is specified for any testing, a violation of any requirement of this rule established by any one of the specified test methods or set of test methods shall constitute a violation of this rule.

ATTACHMENT #2

Subject:

Staff Report

PLACER COUNTY
AIR POLLUTION CONTROL DISTRICT

STAFF REPORT

RULE 214

TRANSFER OF GASOLINE INTO VEHICLE FUEL TANKS

PROPOSED AMENDMENTS

FEBRUARY 21, 2013

PROPOSED AMENDMENT OF

Rule 214 Transfer of Gasoline into Vehicle Fuel Tanks

Staff Report

Executive Summary

The purpose of this amendment of the Placer County Air Pollution District's ("District") Rule 214, Transfer of Gasoline into Vehicle Fuel Tanks, is to address comments from the U.S. Environmental Protection Agency (EPA), to make minor changes which make the rule easier to read, and to standardize the rule into the current rule format used by the District.

Discussion

The control of gasoline emissions from the fueling infrastructure in California is a major program area of the California Air Resources Board (ARB). State concerns with gasoline vapor emissions are twofold; health risk from breathing benzene which is a component of gasoline, and the release of Reactive Organic Compounds which contribute to ozone formation in the atmosphere. Since the ARB adopted rules for gasoline emissions in 1974 they have continually promulgated new and revised regulations which set the design and operating specifications for equipment used in the gasoline fueling infrastructure in the state. The most recent changes to ARB rules, along with exemptions to the U.S. EPA requirements on vapor recovery, were the reason for changes to the District's rule in 2009.

The transfer of fuel is categorized into two processes:

- Phase I vapor recovery is the transfer of gasoline from a tank truck to the facility storage tank (implemented through District Rule 213, Gasoline Transfer into Stationary Storage Containers); and

- Phase II vapor recovery is the transfer of gasoline from the facility storage tank into a vehicle (implemented through District Rule 214, Transfer of Gasoline into Vehicle Fuel Tanks).

On April 9, 2009, the District Board approved resolution #09-04 which revised Rule 214, Transfer of Gasoline into Vehicle Fuel Tanks. The revisions provided exemptions to non-retail gasoline dispensing facilities from the vapor recovery requirements in which 95% or more of the vehicles refueled are On-Board Refueling Vapor Recovery (ORVR) equipped. The exemption also included retail and non-retail facilities that refuel Flexible Fuel Vehicles operating on ethanol-gasoline blend (E85) that are already equipped with ORVR. (Flexible fuel dispensers serve only Flexible Fuel Vehicles.) These vehicles are newer and equipped with onboard systems – ORVR, to collect gasoline vapors during refueling.

The resolution authorized and directed the Air Pollution Control Officer to submit the adopted rule for approval as a revision of the State Implementation Plan (SIP). The rule was sent to the California Air Resources Board, April 29, 2009, to be forwarded to the U.S. EPA, on September 15, 2009, for inclusion into the District's SIP.

In early 2012, the U.S. EPA contacted the District to discuss three areas of concern before the rule could be recommended for approval. These areas of concern were not part of the changes adopted. It should be noted that this rule was last revised on October 19, 1993, and was approved into the SIP on April 30, 1997.

Discussion of Proposed Rule 214 Changes

This discussion section is divided into three parts. The first discusses the standardizing of the rule into the current rule format used by the District. The second addresses the U.S. EPA's areas of concern. The third discusses the changes made to the rule for clarity and simplicity.

1. Standardized Rule Format

Over the last 15 years, as staff have rewritten or been required to adopt new District rules, the rules have been restructured into a new rule format. Rule 214 has been rewritten in this new format. The rule is divided into four sections, General (100), Definitions (200), Standards (300), Administrative and Requirements (400). This new rule format makes it easier to read and understand. Exhibit 1 shows the old rule with notations on where each section is in the new rule format, if it was removed and strikeouts, where specific language was changed. Exhibit 2 shows the strikeout version of rule in its entirety.

2. U.S. EPA's Areas of Concern

In discussions with the U.S. EPA, the rule referenced Section 41954 of the California Health and Safety Code in what was Section A of the old rule format. U.S. EPA staff stated that referencing this section does not adequately address three issues that are of concern and which are noted below. District staff made the following changes and additions. The reference to the California Health and Safety Code section was removed.

a. "Rule 214 should cite CCR 94006 as a reference for the vapor recovery system defects". The following language, *shown in italics*, has been added.

Section 200 Definitions:

204 Major Defect: Any defect that meets the criteria of California Code of Regulations, Title 17, Division III, Chapter 1, Subchapter 8, Article 1, Section 94006 and is listed on CARB's Vapor Recovery Equipment Defects (VRED) list or is specified within the Executive Order certifying the vapor recovery system.

205 Minor Defect: A defect in any gasoline dispensing equipment which renders the equipment out of good working order but which does not constitute a major defect.

Section 300 Standards:

301.2 The equipment is operated and maintained without any major defects.

304 MAINTENANCE AND REPAIRS

304.1 Major Defect: No person shall operate any CARB certified vapor recovery system or any portion thereof, or CARB certified vapor recovery equipment that has a major defect.

304.1.1 Upon the identification of any major defect, the owner or operator shall tag "Out-of-Order" all dispensing equipment for which vapor recovery has been impaired.

304.1.2 Except during active repair activity, the "Out of Order" tag on the tagged equipment shall be rendered inoperable and the tag(s) shall not be removed until the equipment has been repaired, replaced, or adjusted as necessary.

304.2 Minor Defect: The owner/operator shall repair or replace any vapor recovery component or equipment having a minor defect within seven days, pursuant to Section 41960.2(e) of the California Health and Safety Code.

b. "Rule 214 should prohibit operation of a Phase II vapor recovery equipment that has liquid leaks, vapor leaks, fails to pass tests, or contains CCR 94006 defects that substantially impair effectiveness of vapor recovery equipment. Without such language a CARB certified vapor recovery system could operate with leaks or defects." The following language, *in italics,* has been added.

Section 300 Standards:

301.1.1 The vapor recovery system is operating in accordance with the applicable CARB Executive Orders, the manufacturer's specifications, and is maintained to be leak free, vapor tight, and in good working order; and

c. "Rule 214 should require that Phase II systems have a warning posted to prohibit topping-off, which may cause spillage of gasoline. Such requirement is found under CCR 41960.4 but is not referenced or provided in Rule 214." The requirement is found under California Health and Safety Code 41960.4, not the CCR. The following language, *in italics*, has been added.

Section 300 Standards:

302 POSTING OF OPERATING INSTRUCTIONS: Each gasoline dispensing facility utilizing a Phase II system shall conspicuously post operating instructions for the system in the gasoline dispensing area. The instructions shall clearly describe how to fuel vehicles correctly with vapor recovery nozzles utilized at the station and shall include a warning that repeated attempts to continue dispensing, after the system having indicated that the vehicle fuel tank is full (topping off), is prohibited, and may result in spillage or recirculation of gasoline pursuant to California Health and Safety Code Section 41960.4.

3. Clarity and Simplicity Changes

With the changing of the rule into the new format, staff reviewed all sections and has made the following changes, thereby making the rule more clear and simple.

Sections Added

The following, shown *in italics*, were added:

Section 100 General. A new section on applicability was added.

101 *APPLICABILITY: The provisions of this rule shall apply to the transfer of gasoline from any stationary storage tank into any motor vehicle fuel tank.*

Section 200 Definitions. The following definition was added.

201 CARB CERTIFIED: A vapor recovery system equipment, or any component thereof, for which the CARB has evaluated its performance and issued a valid Executive Order pursuant to California Health and Safety Code Section 41954. Each component of a system that is a separate CARB certified item cannot be replaced with a non-certified item or other items that are not certified for use with the particular system. Except for qualified repairs, a CARB certified component shall be as supplied by the qualified manufacturer. A rebuilt component shall not be deemed as CARB certified unless the person who rebuilds the component is authorized by CARB to rebuild the designated CARB certified component.

Section 300 Standards. The following sections were added.

303 PROHIBITION OF SALE: A person shall not supply, offer for sale, sell, install or allow the installation of any new or rebuilt vapor recovery system or any of its components, unless the system and component are CARB certified. Each vapor recovery system and its components shall be clearly and permanently marked with the qualified manufacturer's name and model number as certified by CARB. In addition, any qualified manufacturer who rebuilds a component shall also clearly and permanently mark the corresponding information on the component.

Section 400 Administrative Requirements. The following section was added.

401 TEST METHODS: Test methods for compliance testing for this rule shall be conducted in accordance with the following test methods.

401.1 Determination of 2 Inch WC Static Pressure Performance of Vapor Recovery Systems of Dispensing Facilities (static pressure (leak decay)) test: CARB Test Procedure TP-201.3, TP-201.3B, or TP-206.3, as applicable.

401.2 Dynamic back pressure test: CARB Test Procedure TP-201.4.

401.3 Determination of Liquid Removal of Phase II Vapor Recovery Systems of Dispensing Facilities: CARB Test Procedure TP-201.6.

401.4 Gasoline Liquid Retention in Nozzles and Hoses: CARB Test Procedure TP-201.2E.

401.5 Determination of Static Pressure Performance of the (Franklin Fueling Systems) Healy Clean Air Separator: CARB Test Procedure in Executive Orders VR-201 and VR-202 Series and VR-203 and VR-204 Series and VR-209 Series.

401.6 Vapor to Liquid Volume Ratio CARB Test Procedure in Executive Orders VR-201 and VR-202 Series.

401.7 Nozzle Bag Test Procedure: CARB Test Procedure in Executive Orders VR-201 and VR-202 Series and VR-203 and VR-204 Series.

401.8 Veeder-Root ISD Operability Test: CARB Test Procedure in Executive Orders VR-201 and VR-202 Series.

401.9 FFS INCON ISD Operability Test: CARB Test Procedure in Executive Orders VR-201 and VR-202 Series.

401.10 Liquid Condensate Trap Compliance Procedure: CARB Test Procedure in Executive Orders VR-201 and VR-202 Series and VR-203 and VR-204 Series.

401.11 Healy VP1000 Vacuum Pump Test: Test Procedure in the Installation and Operation Manual for CARB Executive Orders VR-201 and VR-202 Series.

401.12 Liquid Removal Test Procedure: Test Procedure in the Executive Orders VR-203 and VR-204 Series.

401.13 VST ECS; Hydrocarbon Sensor Verification Test Procedure: Test Procedure in the Executive Orders VR-203 and VR-204 Series.

401.14 VST ECS; Determination of Processor Activation Pressure: Test Procedure in the Executive Orders VR-203 and VR-204 Series.

401.15 Veeder-Root; Vapor Pressure Sensor Verification Test Procedure: Test Procedure in the Executive Orders VR-203 and VR-204 Series.

401.16 Veeder-Root Vapor Polisher; Operability Test Procedure: Test Procedure in the Executive Orders VR-203 and VR-204 Series.

401.17 Veeder-Root Vapor Polisher; Hydrocarbon Emissions Verification Test Procedure: Test Procedure in the Executive Orders VR-203 and VR-204 Series.

401.18 Hirt VCS 100 Processor with Indicator Panel Operability Test Procedure: Test Procedure in the Executive Orders VR-203 and VR-204 Series, VR 205 Series, and VR-207 and VR-208 Series.

401.19 Veeder-Root; ISD Vapor Flow Meter Operability Test Procedure: Test Procedure in the Executive Orders VR-203 and VR-204 Series.

401.20 INCON ISD System Vapor Flow Meter Operability Test Procedure Test Procedure in the Executive Orders VR-207 and VR-208 Series.

401.21 INCON ISD System Vapor Pressure Sensor Verification Test Procedure Test Procedure in the Executive Orders VR-207 and VR-208 Series.

401.22 Only calibrated equipment meeting the calibration range and intervals specified by CARB and the equipment manufacturer shall be used to conduct any performance or reverification test.

401.23 Those vapor recovery systems whose CARB Executive orders specify different tests to be performed instead of, or in addition to, the referenced test methods, or which, by their design, preclude the use of the referenced test methods, shall be tested in accordance with the test procedures specified in the applicable CARB Executive Orders or their equivalents as approved by the APCO.

401.24 <u>Multiple Test Methods:</u> When more than one test method or set of test methods is specified for any testing, a violation of any requirement of this rule established by any one of the specified test methods or set of test methods shall constitute a violation of this rule.

<u>Sections Removed</u>

In addition to the removal of the reference California Health and Safety Code Section 41954 as discussed above, the following two sections from the old rule were removed.

> "Section B: Any gasoline dispensing system subject to this Rule, installed after June 19, 1978 shall comply with the provisions of this Rule at the time of installation."

Staff believes that it is unlikely that there is a gasoline dispensing system installed before June 19, 1978, that is not already under permit. If one was found, it would be required to be brought up to current standards; therefore this section is not necessary and was removed.

Section C: Gasoline dispensing equipment used to comply with the provisions of this Rule shall comply with all applicable safety, fire, weights and measures, and other applicable codes and/or regulations.

The District does not have jurisdiction over another agency's requirements, thus this section has been removed.

Fiscal Impact

The amendment of Rule 214 will not have a fiscal impact on those sites required to install Phase II vapor recovery. The changes that are being made are not going to have to change the way the District has been administering this rule.

Outreach

Agency Outreach: On December 6, 2012, District staff forwarded copies of the rule to both the U.S. EPA and CARB for comment. On January 8, 2013, the District received a response from CARB that they had no comments. The U.S. EPA sent their response on January 11, 2013, commenting on the test method language in Section 400. District staff has worked with the U.S. EPA staff and believe we have addressed their comment.

Public Outreach: A public notice was published in the Auburn Journal on January 20, 2013, 30 days in advance of the public hearing. Postcards were sent out to affected gasoline sources notifying them of the rule changes. The rule along with the draft staff report was available on the District website's home page.

No public comments on the proposed amendment of Rule 214 have been received.

Analysis and Findings

The following Analysis and the subsequent Findings are intended to address the requirements set forth in the Health and Safety Code relating to the adoption of a new or amended District Rule, as well as other State statutes referenced herein.

Cost-Effectiveness of a Control Measure

California Health & Safety Code (H&S) Section 40703 requires a District to consider and make public "the cost-effectiveness of a control measure". The changes to this rule are already a requirement by state regulations. This does not change how the rule is administered. The changes into the District's standardized rule format allowed for simplification in which sections no longer needed were eliminated and clarifying language was added.

Socioeconomic Impact

H&S Section 40728, in relevant part, requires the Board to consider the socioeconomic impact of any new rule if air quality or emission limits are significantly affected. However, Districts with a population of less than 500,000 persons are exempted from the socioeconomic analysis. In 2011, the population of Placer County was approximately 357,000 persons. Therefore, the District is not required to consider the socioeconomic impacts of the proposed rule amendment.

California Environmental Quality Act (CEQA)

Proposed amended Rule 214 is not an activity that may cause a direct or reasonably foreseeable indirect physical effect in the environment therefore not considered a "project", as defined by Section 21065 of the California Public Resource Code and Section 15378(b)(4)&(5) of the CEQA guidelines.

According to the above conclusion, Staff finds that the proposed rule is exempt from the California Environmental Quality Act (CEQA) because 1) it can be seen with certainty that there is no possibility that the activity in question may have a significant adverse effect on the environment (CEQA Guidelines §15061(b) (3)) and 2) it is an action by a regulatory agency for protection of the environment (Class 8 Categorical Exemption, CEQA Guidelines §15308). A CEQA analysis is therefore not necessary.

Findings

A. **Necessity** – The amendment of Rule 214 is necessary in order to address and incorporate concerns noted by the U.S. EPA. These changes provide clarity and some simplifying that makes the rule easier to understand. It does not change how the District has administered the requirements under this rule.

B. **Authority** – California Health and Safety Code, Sections 40702, 41511, and 42303 are provisions of law that provide the District with the authority to adopt this amended Rule.

C. **Clarity** – There is no indication, at this time, that the proposed Rule is written in such a manner that persons affected by the Rule cannot easily understand them.

D. **Consistency** – The regulation is in harmony with, and not in conflict with or contradictory to, existing statutes, court decisions, or state or federal regulations.

E. **Non-duplication** – The regulation does not impose the same requirements as an existing state or federal regulation.

F. **Reference** – All statutes, court decisions, and other provisions of law used by PCAPCD in interpreting this regulation are incorporated into this analysis and this finding by reference.

Exhibit 1

RULE 214 TRANSFER OF GASOLINE INTO VEHICLE FUEL TANKS

Adopted 06-19-79

(Amended 04-21-81, 10-19-93, 04-09-09)

New Section 301

A. A person shall not transfer or permit the transfer of gasoline from a stationary storage container subject to the provisions of RULE 213~~(3.1)~~ into any motor vehicle fuel tank of greater than 5 gallons capacity unless such transfer is made through a fill nozzle which directs the gasoline vapors displaced by the transfer through the fill nozzle to a system, CARB, certified ~~for installation by the California Air Resources Board (CARB),~~ that will prevent at least 95 percent by weight of such gasoline vapors from entering the atmosphere. ~~A vapor recovery system must be certified by the CARB pursuant to Section 41954 of the Health and Safety Code.~~

Removed

B. Any gasoline dispensing system subject to this Rule, installed after June 19, 1978 shall comply with the provisions of this Rule at the time of installation.

Removed

C. Gasoline dispensing equipment used to comply with the provisions of this Rule shall comply with all applicable safety, fire, weights and measures, and other applicable codes and/or regulations.

D.

New Section 202

1. For the purposes of this Rule, the term "gasoline" is defined as any petroleum distillate having a Reid vapor pressure of ~~4~~four pounds or greater.

New Section 204

2. For the purposes of this Rule, "motor vehicle" is defined as any vehicle registered with the California Department of Motor Vehicles.

E. Exemptions

New Section 102.2

1. Transfer of gasoline from any storage tank into a vehicle fuel tank is exempt from Section (A) at any non-retail motor vehicle fueling facility where 95 percent of vehicles refueled are equipped with Onboard Refueling Vapor Recovery provided that the Phase II vapor recovery system, if previously installed, has been properly removed in a manner approved in writing by the Air Pollution Control Officer.

New Section 102.2.1

a. To qualify for this exemption, the gasoline dispenser(s) must be owned and operated by the owner of the vehicle fleet and exclusively dedicated to fueling the fleet.

New Section 102.2.1

b. An operator claiming this exemption shall keep a record of the make, model, model year, and vehicle identification number of all vehicles refueled at the gasoline dispensing operation. These records shall be maintained on the premises for at least five calendar years with a submittal of quarterly records to the Air District in order to demonstrate annual compliance with 95% ORVR. In lieu of refueling records, the Air Pollution Control Officer may approve an alternative method for verifying or ensuring that only vehicles equipped with Onboard Refueling Vapor Recovery are refueled at such facility.

New Section 102.3

2. Transfer of E85 from any storage tank into a Flexible Fuel Vehicle fuel tank at any retail service station or non-retail motor vehicle fueling facility is exempt from Section (A). E85 is defined as a petroleum distillate/alcohol blend having a Reid vapor pressure of 4.0 pounds per square inch or greater and meeting the requirements of Title 13 California Code of Regulations, Section 2250 et seq., and as further defined in Title 12 California Code of Regulations Section 2250(b) and containing a minimum 15 percent of petroleum distillate and a maximum 85 percent of ethyl alcohol.

New Section 102.1

3. The provisions of Section (A) shall not be subject to non-retail gasoline dispensing facilities located in that part of Placer County east of Range 8, Mount Diablo Base and Meridian.

EXHIBIT 2

RULE 214 TRANSFER OF GASOLINE INTO VEHICLE FUEL TANKS

Adopted 06-19-79
(Amended 04-21-81, 10-19-93, 04-09-09)

A. ~~A person shall not transfer or permit the transfer of gasoline from a stationary storage container subject to the provisions of RULE 213(3.1) into any motor vehicle fuel tank of greater than 5 gallons capacity unless such transfer is made through a fill nozzle which directs the gasoline vapors displaced by the transfer through the fill nozzle to a system, certified for installation by the California Air Resources Board (CARB), that will prevent at least 95 percent by weight of such gasoline vapors from entering the atmosphere. A vapor recovery system must be certified by the CARB pursuant to Section 41954 of the Health and Safety Code.~~

~~B. Any gasoline dispensing system subject to this Rule, installed after June 19, 1978 shall comply with the provisions of this Rule at the time of installation.~~

~~C. Gasoline dispensing equipment used to comply with the provisions of this Rule shall comply with all applicable safety, fire, weights and measures, and other applicable codes and/or regulations.~~

~~D. 1. For the purposes of this Rule, the term "gasoline" is defined as any petroleum distillate having a Reid vapor pressure of 4 pounds or greater.~~

~~2. For the purposes of this Rule, "motor vehicle" is defined as any vehicle registered with the California Department of Motor Vehicles.~~

~~E. Exemptions~~

~~1. Transfer of gasoline from any storage tank into a vehicle fuel tank is exempt from Section (A) at any non-retail motor vehicle fueling facility where 95 percent of vehicles refueled are equipped with Onboard Refueling Vapor Recovery provided that the Phase II vapor recovery system, if previously installed, has been properly removed in a manner approved in writing by the Air Pollution Control Officer.~~

~~a. To qualify for this exemption, the gasoline dispenser(s) must be owned and operated by the owner of the vehicle fleet and exclusively dedicated to fueling the fleet.~~

~~b. An operator claiming this exemption shall keep a record of the make, model, model year, and vehicle identification number of all vehicles~~

~~refueled at the gasoline dispensing operation. These records shall be maintained on the premises for at least five calendar years with a submittal of quarterly records to the Air District in order to demonstrate annual compliance with 95% ORVR. In lieu of refueling records, the Air Pollution Control Officer may approve an alternative method for verifying or ensuring that only vehicles equipped with Onboard Refueling Vapor Recovery are refueled at such facility.~~

~~2. Transfer of E85 from any storage tank into a Flexible Fuel Vehicle fuel tank at any retail service station or non-retail motor vehicle fueling facility is exempt from Section (A). E85 is defined as a petroleum distillate/alcohol blend having a Reid vapor pressure of 4.0 pounds per square inch or greater and meeting the requirements of Title 13 California Code of Regulations, Section 2250 et seq., and as further defined in Title 12 California Code of Regulations Section 2250(b) and containing a minimum 15 percent of petroleum distillate and a maximum 85 percent of ethyl alcohol.~~

~~3. The provisions of Section (A) shall not be subject to non-retail gasoline dispensing facilities located in that part of Placer County east of Range 8, Mount Diablo Base and Meridian.~~

2013 Clean Air Grants

A Program Funded by the PCAPCD

2013 Clean Air Grant General Update, including Budget, Outreach, and Marketing Efforts

The Placer County Air Pollution Control District is now soliciting applications for the annual Clean Air Grant program for projects which demonstrate emission reductions from mobile and non-mobile sources. This program is designed to reduce surplus nitrogen oxide, reactive organic gas, and particulate matter emissions through the provision of incentive funds derived from both motor vehicle registration and mitigation fees. Typical projects include, 1) heavy duty fleet modernizations, repowers, and exhaust retrofits that do not fall under a State emission(s) compliance deadline within the next three years, 2) diesel agriculture pump repowers, 3) alternative fuel infrastructure, 4) transit programs, and 5) public information/education projects related to air quality issues. Cost effectiveness is critical in determining project funding. Currently, there is $1,128,000 available for this year's CAG program. The budget is comprised of DMV surcharge fees (AB 2766 and AB 923) and western and eastern land use mitigation funds. Visit **www.placer.ca.gov/apcd** for more detailed information, including eligibility requirements; grant applications, and important deadlines. Applications are available from January 1, 2013 through February 28, 2013 and are available online or in person.

The marketing budget for the 2013 CAG program is $2,500. Below is a brief list of coordinated marketing and outreach strategies conducted in order to achieve a successful solicitation period.

- Public notices have been scheduled in six local newspapers managed by Gold Country Media and the Tahoe Record and are scheduled to run three times between January 1 and February 28.

- A display ad has been scheduled to run three times in the Sierra Sun which is a Tahoe based newspaper.

- Postcard and email notifications advertising the program and workshops were mailed out to approximately 500 groups, agencies, and individuals, which included members of the Placer County Contractors Association.

- Links to current CAG information was posted in the County E-Newsletter and on the TRPA website. Information was also provided to the Placer County Contractor's Association for inclusion into their outreach material.

- Two workshops were conducted on January 23rd at the District office. The morning workshop was video teleconferenced to the Tahoe Planning Department for those in the Tahoe area and a second workshop was held in the evening.

- The District's website was updated with current 2013 CAG information, including applications, program guidelines and information, and additional resources. Applications can be filled out online or hand written in.

BOARD OF SUPERVISORS
COUNTY OF SACRAMENTO
700 H STREET, SUITE 2450 • SACRAMENTO, CA 95814

RECEIVED
FEB 07 2013
Placer County Air Pollution
Control District

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February 6, 2013

Hon. Ron Briggs, Chair
El Dorado County AQMD
330 Fair Lane
Placerville, CA 95667

Hon. Michael Selvidge, Chair
Feather River AQMD
1007 Live Oak Blvd., Suite B-3
Yuba City, CA 95991

Hon. Jennifer Montgomery, Chair
Placer County, APCD
110 Maple Street
Auburn, CA 95603

Hon. Don Saylor, Chair
Yolo-Solano AQMD
1947 Galileo Ct., Suite 103
Davis, CA 95618

Re: California Air Resources Board representation

Fellow Chairs,

Last year Governor Brown signed into law AB 146 which established a new 12th seat on the California Air Resources Board. The new seat is designated for an appointee who comes from one of the five air district boards of directors within the Sacramento Region.

As a member of the Sacramento County Board of Supervisors and as the current Chair of the Sacramento Metropolitan Air Quality Management District, I applied to fill the newest opening on the Air Resources Board. During the application and vetting process I learned that a number of very well-qualified candidates – some of them good friends of mine – were being considered for the post. Late last week I was notified that the Governor had selected me to serve as the "Sacramento Regional Air District" representative on the Board.

While it is indeed a tremendous honor to be selected, especially from a field of so many strong candidates, the principal purpose of this transmittal is not to explain these latest developments as they only concern me. Rather, I write to assure you of the seriousness with which I take this new responsibility and equally important that I welcome open dialogue with you, your fellow boardmembers, and your staff as it relates to matters considered by the Air Resources Board.

I am a firm believer that no one person is ever responsible for the development and implementation of good public policy, and it is in that same spirit that I am herewith reaching out to you. You should count on me as your representative and know that I will take the time to listen and understand the issues in order to arrive at well-reasoned conclusions. I too will count on you and others within our region to help me best represent our common constituencies, and to see that our region and our state capitalize on this new opportunity.

So that your board of directors understands my intent to work collaboratively with all of our region's air districts, I respectfully request that this correspondence be included as a "receive and file" item for your next regularly scheduled public hearing. Should you wish to reach me, I have attached all of my office and personal contact information.

I look forward to working with you.

Sincerely,

Phillip R. Serna
California Air Resources Board Appointee

cc: Governor Edmund G. Brown, Jr.
Mary D. Nichols, Chair California Air Resources Board
Larry Greene, Sacramento Metropolitan AQMD Executive Director/APCO
Dave Johnston, El Dorado County AQMD APCO
David A. Valler, Jr., Feather River AQMD APCO
Thomas Christofk, Placer County APCD APCO
Mat Ehrhardt, Yolo-Solano AQMD Executive Director/APCO