State of California AIR RESOURCES BOARD

Resolution 02-35

December 12, 2002

Agenda Item No.: 02-9-6

WHEREAS, sections 39600 and 39601 of the Health and Safety Code authorize the Air Resources Board (the Board) to adopt standards, rules and regulations and to do such acts as may be necessary for the proper execution of the powers and duties granted to and imposed upon the Board by law;

WHEREAS, section 39607(d) of the Health and Safety Code requires the Board to adopt test procedures to measure compliance with its nonvehicular, or stationary source, emission standards and those of the air pollution control and air quality management districts (districts);

WHEREAS, sections 41950 and 41954 of the Health and Safety Code require the installation of vapor recovery systems for gasoline vapor control during gasoline marketing operations;

WHEREAS, section 41954 of the Health and Safety Code requires the Board to adopt procedures for determining the compliance of any system designed for the control of gasoline vapor emissions during gasoline marketing operations with performance standards established by the Board;

WHEREAS, in the Board's approval of the enhanced vapor recovery (EVR) regulations on March 23, 2000, the Board directed that the Board's staff conduct a technology review for EVR in 2002 to determine whether vapor recovery system designs are able to meet new performance standards and specifications;

WHEREAS, the Board's staff developed new test procedures to evaluate new vapor recovery designs to comply with new performance specifications of the EVR regulations;

WHEREAS, the Board's staff has identified improvements for ten existing vapor recovery certification and test procedures: D-200, CP-201, TP-201.1, TP-201.1B, TP-201.1C, TP-201.1D, TP-201.2, TP-201.2B, TP-201.2D, and TP-201.2F;

WHEREAS, the Board's staff has proposed five new test procedures; TP-201.1E, TP-201.2G, TP-201.2I, TP-201.2J, and TP-201.7;

WHEREAS, the Board's staff has proposed amendments to title 17, California Code of Regulations, sections 94010, 94011, 94163, 94164, and 94165, and the adoption of

sections 94166 and 94167, which incorporate by reference the identified revised, new, and repealed vapor recovery procedures;

WHEREAS, the proposed amendments and adoptions are reasonable and necessary to achieve and maintain ambient air quality standards;

WHEREAS, the California Environmental Quality Act and Board regulations require that no project which may have significant adverse environmental impacts be adopted as originally proposed if feasible alternatives or mitigation measures are available to reduce or eliminate such impacts;

WHEREAS, a public hearing and other administrative proceedings have been held in accordance with the provisions of chapter 3.5 (commencing with section 11340), part 1, division 3, title 2 of the Government Code;

WHEREAS, the Board has considered the preliminary impact of the proposed regulatory action on the economy of the state;

WHEREAS, the Board finds that:

Amendment and adoption of the provisions of title 17, California Code of Regulations, as set forth in Attachment A hereto, and the incorporation of the proposed amended vapor recovery certification and test procedures as set forth in Attachment B hereto, are technologically feasible and are necessary and appropriate to satisfy the requirements of sections 39601, 39607(d), 41950, and 41954 of the Health and Safety Code;

The actions approved herein will have no significant adverse environmental impacts and the regulations are projected to have a positive air quality impact; and

There is no reasonable alternative considered by the Board or otherwise identified that would be more effective in carrying out the purpose for which the regulations are proposed or would be as effective and less burdensome to affected private persons or businesses.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves sections 94010, 94011, 94163, 94164, 94165, 94166, and 94167, title 17, California Code of Regulations, as set forth in Attachment A hereto.

BE IT FURTHER RESOLVED that the Board directs the Executive Officer to adopt sections 94010, 94011, 94163, 94164, 94165, 94166, and 94167, title 17, California Code of Regulations, after making the modified regulatory language available for public comment for a period of at least 15 days, as required by Government Code section 11346.8, provided that the Executive Officer shall consider such written comments

regarding the modification as may be submitted during this period, shall make modifications as may be appropriate in light of the comments received or for consistency with the modifications in Attachment B, and shall present the regulations to the Board for further consideration if he determines that this is warranted.

BE IT FURTHER RESOLVED that the Board directs the Executive Officer and Board staff to assess, following the initial certification of the first EVR Phase II system, the adequacy of the lead time to install complying certified EVR Phase II systems prior to the deadlines for complying with on-board refueling vapor recovery (ORVR) requirements. It is the intent of the Board that the assessment determine the adequacy of lead time in order to minimize the necessity that existing gasoline dispensing facilities (service stations or GDFs) will need to upgrade vapor recovery systems or equipment more than once in order to comply with both the EVR Phase II standards and specifications and ORVR. The Executive Officer and Board staff are directed to consult with the Districts, WSPA and other stakeholders in preparing the assessment and to report the findings to the Board within three months of the initial certification of the first EVR Phase II system.

BE IT FURTHER RESOLVED that the Board directs the Executive Officer and Board staff to assess, following the initial certification of the first EVR Phase II system with instation diagnostics (ISD), the capital cost impacts of ISD on smaller through-put GDFs. The Executive Officer and Board staff are directed to complete the assessment within 18 months after the initial certification of an ISD equipped system.

I hereby certify that the above is a true and correct copy of Resolution 02-35, as adopted by the Air Resources Board.

Stacey Dorais, Clerk of the Board

Resolution

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Identification of Attachments to the Resolution

Attachment A: Amendments to sections 94010, 94011, 94163, 94164, 94165,

94166, and 94167, title 17, California Code of Regulations, as

noticed on October 25, 2002.

Attachment B: Modifications to Vapor Recovery Certification Procedure CP-201,

Definitions D-200, and Test Procedures TP-201.1C, TP-201.1D, TP-201.1E, TP-201.2D, and TP-201.2F, to be made available

during the 15-day comment period.