



COMPLIANCE BULLETIN

APRIL 9, 2008

NEW FEDERAL VAPOR EMISSION REQUIREMENTS FOR GASOLINE DISPENSING FACILITIES, BULK PLANTS AND LOADING RACKS

BACKGROUND: The U.S. EPA issued a final rulemaking in January that requires vapor control equipment at gasoline dispensing facilities with certain throughput thresholds for gasoline. The type of vapor control required under the rule depends on gasoline threshold throughputs and ranges from simple management practices, to full Stage I vapor control equipment. The EPA defines gasoline dispensing facilities as “any stationary facility which dispenses gasoline into the fuel tank of a motor vehicle”. Under this definition, retail gasoline stations, card locks and any other *stationary* fueling facility are covered by the rule. The rule also requires certain vapor control methods for bulk gasoline plants and terminals and gasoline loading racks. The term gasoline in the rule includes gasoline blended with ethanol, including E-85. Go to: <http://www.epa.gov/ttn/atw/area/arearules.html> Scroll down to Rules/Notices, Download 1/10/08 PDF document to see the rule in its entirety.

GASOLINE FACILITIES COVERED: This Compliance Bulletin covers bulk plants and loading racks with daily gasoline throughput of less than 20,000 gallons and all gasoline dispensing facilities. This rule does not apply to tanks under 250 gallons capacity. If your bulk plant or loading rack has a daily gasoline throughput of 20,000 gallons or more, please refer to the final rule at the link above for further compliance information.

Petroleum marketers whose facilities were built after 11/09/06 and which meet gasoline throughput thresholds should focus on immediate compliance and submitting either the *Initial Notification* or *Notification of Compliance Status* form by 5/09/08. Petroleum marketers whose facilities were built on or before 11/09/06 and which meet gasoline throughput thresholds should focus on submitting either the *Initial Notification* or *Notification of Compliance Status* form by 5/09/08. In most cases, compliance with the technical aspects of the rule for facilities built on or before 11/09/06 is not required until 1/10/11.

IMPORTANT! Stage I vapor recovery equipment *is not* required for all facilities that must comply with this rule. Although these requirements are called the Stage I rule, only gasoline dispensing facilities with 100,000 gallons or more of gasoline loaded into all gasoline storage tanks per month are required to install Stage I equipment.

IMPORTANT! Petroleum Marketers are *strongly urged* to contact a professional engineer to assist in the implementation of the technical requirements of this rule.

COMPLIANCE DATES: Gasoline dispensing facilities, bulk plants, and loading racks commencing construction after 11/9/06 must meet the applicable new vapor emission control requirements at start-up or by 1/10/08, whichever is later. Gasoline dispensing facilities, bulk plants and loading racks *existing* on or before 11/09/06 must comply with the applicable new vapor emission control requirements by 1/10/11. Submission of *Initial Notification* forms for applicable gasoline dispensing facilities, bulk plants and loading racks must be submitted to the South Dakota Department of Environment and Natural Resources (DENR) by 05/09/08.

BULK PLANT AND LOADING RACK COMPLIANCE REQUIREMENTS:

Bulk plants and Loading Racks with a Gasoline Throughput of Less Than 20,000 Gallons of Gasoline Per Day -

- ***Submerged Fill Pipes Installed after 11/9/06*** - Bulk plants and loading racks are already in compliance with the rule if submerged fill pipes were installed after 11/9/06 and discharge no more than 6-inches from the bottom of the storage compartment. Owners and operators of these facilities ***are not*** required to retrofit tanks. Instead, these facilities need only follow the vapor management practices listed below.
- ***Submerged Fill Pipes Installed on or Before 11/9/06*** - Bulk Plants and Loading Racks are already in compliance with the rule if the submerged fill pipe was installed ***on or before*** 11/9/06 and discharge no more than 12-inches from the bottom of the storage compartment. Owners and Operators of these facilities are not required to retrofit storage tanks. Instead, these facilities need only follow the vapor management practices listed below.
- ***Noncompliant or Nonexistent Submerged Fill Pipes*** - All other bulk plants with a gasoline throughput of less than 20,000 gallons of gasoline ***per day*** must be retrofitted with a submerged fill pipe that discharges no more than 6-inches from the bottom of the tank by 1/10/11.

Vapor Emission Management Practices -

- Perform a monthly leak inspection of all equipment in gasoline service. For this inspection, detection methods incorporating sight, sound and smell are acceptable.
- A log-book shall be used and signed by the owner or operator at the completion of each monthly inspection. The log-book must contain a list, summary description or diagram showing the location of all equipment in gasoline service at the facility.
- Each detection of a liquid vapor leak must be recorded in the log-book.
- When a leak is detected an attempt at repair must be made as soon as practicable and recorded in the log-book. But no later than 5-days after discovery.
- Repair or replacement of leaking equipment must be completed within 15 days of discovery and recorded in the log-book.
- Delay in repair of leaking equipment is allowed if the repair is not feasible within 15-days. The reason why it was not feasible and the date of actual repair should be recorded in the log-book.
- Gasoline must not be handled in a manner that would result in vapor releases to the atmosphere for extended periods of time. Proper handling measures to prevent such releases include.
- Minimize gasoline spills.
- Clean-up spills as quickly as possible.
- Cover all gasoline containers and all gasoline storage tank fill pipes with a gasketed seal when not in use.
- Minimize gasoline sent to open waste collection systems.

Reporting Requirements - The new rule requires bulk plant and loading rack owners and operators to submit an *Initial Notification* form and *Notice of Compliance Status* form to SD DENR.

- Where a bulk plant or loading rack with less than 20,000 gallons per day throughput of gasoline, meets either the 12-inch discharge standard for fill pipes installed on or before 11/9/06 or the 6-inch discharge standard for fill pipes installed after 11/9/06, then submission of an *Initial Notification* form is not required. Instead, a *Notification of Compliance Status* form **must be** submitted no later than 5/9/08.
- For bulk plants and loading racks with less than 20,000 gallons per day throughput of gasoline, that are not equipped with submerged fill pipes, or equipped with fill pipes that discharge in ways not permitted under the new rule, an *Initial Notification* form must be submitted by 5/9/08. Installation of a submerged fill pipe that discharges no more than 6- inches from the bottom of the tank must be installed and *Notification of Compliance Status* submitted by 1/10/11.

DENR will provide an *Initial Notification* and *Notification Compliance Status* form for Gasoline Bulk Plants and Loading Racks on its web site at <http://www.state.sd.us/denr/DES/AirQuality/airprogr.htm> under “Hot Issues” by May 2, 2008.

GASOLINE DISPENSING FACILITY COMPLIANCE REQUIREMENTS:

Gasoline Dispensing Facilities with Gasoline Throughput Less Than 10,000 Gallons Per Month -

- ***Use Management Practices to Control Vapor*** - Gasoline must not be handled in a manner that would result in vapor releases to the atmosphere for extended periods of time. Proper handling measures to prevent such releases include; Minimize gasoline spills; clean-up spills as quickly as possible; cover all gasoline containers and all gasoline storage tank fill pipes with a gasketed seal when not in use; and minimize gasoline sent to open waste collection systems.
- ***Reporting*** - Notification reports for these gasoline facilities **are not** required but, records documenting that gasoline throughput is less than 10,000 gallons per month must be made available within 24 hours upon request.

Gasoline Dispensing Facilities With Gasoline Throughput of 10,000 Gallons or More Per Month -

- ***Use Management Practices to Control Vapor*** - Gasoline must not be handled in a manner that would result in vapor releases to the atmosphere for extended periods of time. Proper handling measures to prevent such releases include; Minimize gasoline spills; clean-up spills as quickly as possible; cover all gasoline containers and all gasoline storage tank fill pipes with a gasketed seal when not in use; and minimize gasoline sent to open waste collection systems.
- ***Submerged Drop Tubes*** - For tanks greater than or equal to 250 gallons, gasoline must be loaded using submerged drop tubes. Submerged drop tubes installed on or before 11/09/06 must discharge no more than 12 inches from the bottom of the tank.
- Submerged drop tubes installed after 11/09/06 must discharge no more than 6 inches from the bottom of the tank.
- ***Reporting Requirements*** - Submit an *Initial Notification* or *Notification of Compliance Status* to SD DENR no later than 5/09/08.

Gasoline Dispensing Facilities With Gasoline Throughput of 100,000 Gallons or More Per Month:

- ***Submerged Drop Tubes*** - For tanks greater than or equal to 250 gallons, gasoline must be loaded using submerged fill pipes. Submerged fill pipes installed on or before 11/09/06 must be no more than 12 inches from the bottom of the tank. Submerged drop tubes installed after 11/09/06 must discharge no more than 6 inches from the bottom of the tank.
- ***Use Management Practices to Control Vapor*** - Gasoline must not be handled in a manner that would result in vapor releases to the atmosphere for extended periods of time. Proper handling measures to prevent such releases include; Minimize gasoline spills; clean-up spills as quickly as possible; cover all gasoline containers and all gasoline storage tank fill pipes with a gasketed seal when not in use; and minimize gasoline sent to open waste collection systems.
- ***Vapor Balance Control*** - Operate a vapor balance system that meets one of the criteria below:
 1. Operate a vapor balance system during storage tank loadings using the following management practices:
 - Connections and lines equipped with seal closures;
 - Vapor tight lines used from storage tank to cargo tank;
 - Cargo tank settings remain below specified settings;
 - Designed to prevent over tight/loose connections;
 - Gauge well provided with submerged drop tube extending specified distance (12 inches for pipes installed on or before 11/09/06; 6 inches for pipes installed after 11/09/06;) from tank bottom;
 - Use vapor tight caps for liquid fill connections;
 - Install pressure/vacuum vent valves on tank vent pipes at specified settings and test initially and every three years thereafter;
 - Vapor balance system must meet static pressure test initially and every three years; and
 - Dual point (no coaxial) vapor balance systems for new/reconstructed gasoline distribution facilities; **Or**
 2. Operate a vapor balance system demonstrated to achieve an emission reduction of 95% or better.
- ***Reporting Requirements*** - Submit an *Initial Notification* or *Notification of Compliance Status* form to SD DENR no later than 5/09/08.
- ***Testing and Monitoring Requirements*** - Vapor monitory systems must be tested upon installation and every three years thereafter. Technical testing and monitoring requirements can be found in Section 63.11120 of the rule (find rule at link above).

DENR will provide an *Initial Notification* and *Notification Compliance Status* form for Gasoline Dispensing Facilities on its web site at <http://www.state.sd.us/denr/DES/AirQuality/airprogr.htm> under “Hot Issues” by May 2, 2008.

Got Questions? Contact Mark S. Morgan, Esq. @mmorganptsa@cox.net; or

Marlys Heidt, Natural Resources Project Engineer, SD DENR at 605-773-3151 or marlys.heidt@state.sd.us .