

Minutes and Action Items
from
Vapor Recovery Stakeholder Meeting
April 27, 2012

Participants

MDE – Director Tad Aburn, Diane Franks, Randy Mosier, Husain Waheed, Pars Ramnarain, Scott Thompson, Mike Frank, MJ Rutkowski, Adrienne Capkovic, Ayanna Miranda, Kathy Wehnes
Arid Technologies – Ted Tiberi, Luke Howard
BGE – Theresa King

CROMPCO – Bob Minissale
EIP – Leah Kelly
EPA – Brian Rehn
MAPDA – Pete Horrigan
Royal Farms – Tom Ruzin
The Willis Group – Ron Thompson, Kevin Kyle
WAWA – Joshua Frosh

Next Meeting : June/July after EPA finalizes widespread use rule

Action Items

- MD to continue analysis and evaluation of vapor recovery and different options regarding Stage II benefits and decommissioning in consultation with stakeholders, contractor, EPA and OTC.
- EPA guidance and final rule to be released – May/June 2012.
- Summary of findings and reports will be developed and discussed with stakeholders.
- Schedule next meeting in June/July after EPA finalizes widespread use rule.

Notes on Agenda/Discussion:

1. ARMA Director’s Presentation

Tad Aburn explained that the presentation being delivered was originally prepared for the March 26, 2012 Air Quality Control Advisory Council meeting. This presentation provided a broad overview and therefore much of the presentation would not be covered as the stakeholders are familiar with the background material. Mr. Aburn explained that in view of the fact that Stage II emission reductions have diminished over the years with the advent of ORVR technology and because of EPA’s widespread use proposal, ARMA is considering amending Maryland’s Stage II regulations. Maryland will need to conduct modeling runs, analyze data and consider many factors including EPA guidance before it proceeds. EPA’s guidance and final rule will help determine how the provisions of the Clean Air Act will need to be satisfied before Stage II can be decommissioned in Maryland. Maryland may have a difficult time removing the Stage II program for several reasons. First, Stage II is required in moderate and above nonattainment areas under the Clean air Act. Second, air quality data and EPA designations indicate that Maryland has the highest ozone levels in the region. Toxics risk assessment and environmental justice issues need to be assessed and addressed. Mr. Aburn also posed the question to stakeholders that if MDE repeals Stage II and EPA requires emission credits to cover the shortfall, who shall we regulate? Mr. Aburn indicated he would be expecting suggestions from the stakeholders. A copy of the presentation will be distributed to stakeholders.

2. **EPA Region III Brian Rehn**

Mr. Rehn explained that the widespread use rule is going to be finalized in May/June time frame. The final rule will contain the methodology for states to determine the time when widespread use occurs in their state. National figures have been used to make the determination and states are free to select the national fleet data or the state fleet data for the determination of widespread use. States may elect also to continue the requirements for Stage II, depending on the air quality data and their obligations under the different sections of the CAA. States can expedite the SIP review process by preparing a SIP revision and submitting it when the widespread rule is finalized. In response to stakeholder discussions, Mr. Rehn explained that Enhanced Stage II will not result in additional State Implementation Plan credits as the maximum efficiency credits have already been taken into account. He further explained that Enhanced Stage II is not likely to exceed the 98% benefit derived from ORVR. Many factors limit the potential of Stage II including operator maintenance and enforcement issues. Mr. Rehn went on to discuss that a specific toxics analysis has not been conducted for the widespread use rule as EPA is attempting to fulfill the CAA requirement to establish when widespread use will take place. Some states are keeping Stage II for the toxics benefit. This is the information that is currently available.

3. **Arid Technologies Ted Triberti**

EPA approach to Stage II is not the best solution as it does not take into account the environmental justice aspects. A non-ORVR vehicle will emit considerably more when it is refueled and the emissions impact everyone at a refueling site. Utilization of a permeator device such as the one provided by Arid Technologies would take care of the inefficiencies caused by ORVR /Stage II without any modification to the Stage II system. The costs associated with this device can be easily recovered within a few years. At a facility with throughput in the range of 100,000 - 150,000 gallons per month the capital recovery time could be 2-4 years.

4. **Wawa Joshua Frosh**

Wawa's experience has been positive with the Arid systems in areas where Stage II is required. The systems were installed starting in 2005 and all Wawa sites in Maryland have the systems in operation and they have recovered the costs in a few years. The new vent cap standards are also effective in the non-Stage II areas and they have been able to maintain negative pressure in the tanks while refueling has taken place for ORVR and non-ORVR vehicles.

5. **EIP Leah Kelly**

Expressed that it would be useful to know the total reductions that Stage II is providing currently and in future years. Diane Franks of MDE stated that we will be using a contractor to conduct an analysis regarding benefits from Stage II.

6. **Oil Control Program Mike Frank**

If decommissioning is going to take place then a protocol would be necessary. Stage II inspections provide the additional benefit of ensuring the tanks are not leaking. The removal of Stage II is going to be an elaborate process and the capping has to be done properly, otherwise it will cause leaks. Additionally, the Maryland Department of Agriculture's Office of Weights and Measures inspect and regulate gasoline stations and while performing the inspection gasoline is dispensed into open containers that would be controlled if Stage II were removed.

7. Planning Program Manager Diane Franks

Requested further comments and suggested that unless the group desired more information on a specific issue that the next meeting should be held after the EPA guidance is finalized or the contractor has finished his analysis to make the best use of everyone's time. Finalization of EPA guidance is expected in June.

Next Steps

- a.** Developments with respect to actions and analyses in MD and other states will be shared with the stakeholders.
- b.** Regular status reviews will be held with EPA, OTC and NESCAUM vapor recovery workgroups.
- c.** Discussions will be held on draft recommendations and follow-up activities.
- d.** Track the status of EPA's widespread rule and guidance finalization process.