



## **Vapor Recovery/Stage II – Widespread Use Meeting June 28, 2012 Meeting Notes**

### **Overview of Stage II Vapor Recovery and Widespread**

- On May 16, 2012, the U.S. Environmental Protection Agency (EPA) issued a final rule stating onboard refueling vapor recovery (ORVR) is in widespread use, effective immediately. States with Stage II vapor recovery program in ozone nonattainment areas now have the option of removing these programs from their state implementation plans (SIPs). In order to approve the SIP revision, EPA requires a technical demonstration showing that removing Stage II will not adversely impact air quality.
- Two types of Stage II exist – balance and vapor assist; Missouri only has balance systems. Balance systems, unlike vapor assist, have no incompatibility with ORVR.
- Missouri intends to pursue the option of removing Stage II.
- Next step is to put together a technical demonstration, following EPA's guidance that will detail the emission impacts of removing Stage II in the St. Louis area.
- This demonstration is key and until the department has demonstration showing no significant air quality impact, the timing of the phase out is unknown.
- Once demonstration is complete, and EPA gives verbal concurrence, the department will set timeframes for decommissioning, concurrent with the final SIP approval and rule change.
- Final Draft Guidance from EPA – expected soon (perhaps by end of July).
- Intend to use PEI guidance for phase out.
- Still required to continue to have Stage I.

### **New Stations/Modifications**

- Work with on a case-by-case basis
- Contact DNR to discuss – contact information below.
- If located in St. Louis County, also need to coordinate with St. Louis County Department of Health. St. Louis County has additional ordinance than the state.
- All new stations that are issued a permit need to be aware that if Stage II is required in the future, they will need to install Stage II at that time.

### **State Implementation Plan (SIP) process**

- Steven Brown, from EPA Region VII, discussed the draft guidance, and the requirements of the demonstration: modeling, efficiency estimates for specific area, refueling impacts, fleet of the area. The draft guidance does include a method for gradual phase out.
- Revision to rules and SIP revision would likely take at least 2-3 years but the department intends to move forward with the phase out process once the demonstration is complete and acceptable to EPA.
- Based on outcome of demonstration and requirements listed in guidance, department may need to reduce some emissions by other means.
- Missouri Petroleum Marketers and Convenience Store Association (MPCA) offered assistance to the department in developing a sound technical demonstration.

## **Rulemaking**

- The department will revise the applicable state regulations to remove Stage II from the regulatory requirements.
- Part of the rulemaking includes a fiscal note to discuss financial impacts of rule. The department will need assistance to ensure the numbers used are accurate. This analysis will also assist in helping to determine the best scenario for phase out.
- Need quantitative (numbers).
- The department will post the fiscal notes used in the widespread use determination and also have them posted to the VR webpage.
- Send comments to Stan Payne, [stan.payne@dnr.mo.gov](mailto:stan.payne@dnr.mo.gov)

## **Enforcement during Transition**

- The department is utilizing enforcement discretion, in case by case situations, for brand new gas stations only. Contact department staff with enquiries (see below for contacts).
- All other rules and requirements are still in place.
- Following current permit renewal process until timeframe of phase out is known.
- Decommissioning, when allowed, is required all at once and replacing parts one piece at a time is not allowed.
- Will follow PEI guidance for decommissioning as applicable. If revisions to guidance are needed, the department will communicate the changes.
- One participant mentioned the economic advantage that brand new gas stations without Stage II would have over those that continue to have it. However, the same participant acknowledged the need for the discretion and appreciated the department's willingness to consider this option and asked for the department to move as quickly as possible on the phase out.

## **Illinois IEPA Comments**

- IEPA confirmed that there is no Stage II Vapor Recovery in the metro-east side of the St. Louis Nonattainment area. Illinois only has Stage II in Chicago area.
- The Chicago area has vacuum assist Stage II Vapor Recovery. ORVR used in combo with vacuum assist has a 10% dis-benefit, so removal of Stage II is a necessity and a priority for the State of Illinois
- Illinois intends to begin their meetings with stakeholders soon.

## **Wrap-up/Next Steps**

- Sign up for the vapor recovery listserv to receive updates
- The department will set up another meeting and/or conference call after the guidance is issued and the demonstration details are known – may be a few months.

## **Contact Information**

### Missouri Department of Natural Resources Air Pollution Control Program (573) 751-4817

- General questions/comments – Kyra Moore, program director [kyra.moore@dnr.mo.gov](mailto:kyra.moore@dnr.mo.gov)
- Permitting/New Stations - Darcy Bybee [darcy.bybee@dnr.mo.gov](mailto:darcy.bybee@dnr.mo.gov) , Nicole Eby [nicole.eby@dnr.mo.gov](mailto:nicole.eby@dnr.mo.gov) or Bill Ruppel (SLRO) [bill.ruppel@dnr.mo.gov](mailto:bill.ruppel@dnr.mo.gov)
- State rulemaking and SIP technical demonstration – Wendy Vit [wendy.vit@dnr.mo.gov](mailto:wendy.vit@dnr.mo.gov), Wayne Graf [wayne.graf@dnr.mo.gov](mailto:wayne.graf@dnr.mo.gov), Stan Payne [stan.payne@dnr.mo.gov](mailto:stan.payne@dnr.mo.gov)

### St. Louis County Department of Health

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