

**Texas Commission on Environmental Quality  
Chapter 115 Stakeholder Group  
Meeting Summary**

**Stage II Vapor Recovery Decommissioning**

October 1, 2012

2:00 p.m. and 6:30 p.m.

Arlington City Council Chambers, Arlington

October 4, 2012

1:30 p.m. and 5:00 p.m.

El Paso Public Library, El Paso

October 8, 2012

2:00 p.m. and 6:30 p.m.

Houston-Galveston Area Council, Houston

October 9, 2012

2:00 p.m. and 6:30 p.m.

Beaumont-Port Arthur TCEQ Regional Office, Beaumont

October 11, 2012

2:00 p.m.

TCEQ Headquarters, Austin

**Opening Remarks and Presentation**

Donna Huff, Guy Hoffman, and Santos Olivarez, all with Texas Commission on Environmental Quality (TCEQ) Air Quality Planning Section, moderated and presented the same information at assigned scheduled stakeholder meetings. The presented information detailed the TCEQ's activity on the affects of the final United States Environmental Protection Agency's rule on widespread use of vehicle on-board refueling

vapor recovery (ORVR) and the potential decommissioning of the state's Stage II vapor recovery program. Information was presented on the timeline for proposed rulemaking to the Stage II program in Chapter 115, Subchapter C, Division 4 and the associated State Implementation Plan revisions addressing the decommissioning of the Stage II program. The presentation is posted on the [Chapter 115 Stakeholder Group Web page](#) under Minutes and Agendas of Past Meetings, Decommissioning the Stage II Program (Chapter 115, Subchapter C, Division 4).

## **Open Discussion**

The comments were similar at each presentation and a summary of the open discussions is provided below are a summarization of the open discussions. Stakeholder comments are summarized and staff responses are responses provided to stakeholders during the meetings.

A stakeholder explained that the cost of capping vapor recovery lines runs about \$600 per line. They asked if the costs in the presentation were set costs, general costs, or if the TCEQ had asked actual equipment suppliers and contractors.

**Staff Response:** The costs in the presentations were developed from inquiries made to some contractors. Staff understands that costs may vary depending on area of the state, additional problems found in the equipment to be decommissioned, and the number of facilities that an owner may have. These stakeholder meetings are being held so that additional information can be provided to TCEQ to better refine costs and affects of decommissioning on gasoline dispensing (GDF) facilities. Staff encouraged stakeholders to submit information regarding the cost of decommissioning the Stage II equipment.

A stakeholder asked if he United States Environmental Protection Agency (EPA) was agreeable to the changes that the state is looking at.

**Staff Response:** TCEQ staff has been working closely with EPA Region 6 staff and other EPA staff in the state's development of rule and SIP revisions including commenting on and using the EPA's guidance document in determining the affect on emissions losses due to decommissioning. Staff anticipates that the EPA will be receptive to TCEQ's revisions. The EPA guidance document will be available on the Stage II Web page.

A stakeholder asked how the TCEQ will verify Stage II decommissioning; what monitoring would be done on decommissioned stations; and what the TCEQ was considering as decommissioning. They asked if decommissioning consisted of removing all of the equipment and piping, capping pipes, removing hanging equipment, or something different.

**Staff Response:** The TCEQ is continuing to assess what activities would be deemed as decommissioning and that these activities would be determined by whether they would keep any vapors from leaking at the least possible impact to the station owner. Comments from industry on their thoughts on decommissioning were the one of the reasons we were conducting these stakeholder meetings. Staff also referred stakeholders to review the Petroleum Equipment Institute Recommended Practices for Installation and Testing of Vapor-Recovery Systems at Vehicle-Fueling Sites (PEI/RP 300-09), which covers the installation and decommissioning of Stage II equipment as the EPA recommends that states follow the set industry standard.

A stakeholder asked will maintenance requirements still be PST requirements.

**Staff Response:** TCEQ expects that current PST and Stage I requirements will not change with the decommissioning of Stage II equipment.

A stakeholder asked is there testing of ORVR on vehicles.

**Staff Response:** Staff explained that vehicle ORVR is continually tested as part of the vehicle's on-board diagnostic system. If the check engine light on a vehicle is illuminated, then the vehicle has an emissions component that is not working properly. In areas where a vehicle inspection and maintenance (I/M) program has been implemented, these vehicles would fail and would be required to be repaired prior to obtaining their annual safety and emissions inspection sticker. I/M programs are currently required all Stage II areas with the exception of Beaumont-Port Arthur.

A stakeholder asked if the Stage I rules would be affected by the changes to Stage II. They asked if the TX-101 and Tx-102 tests would still be required.

**Staff Response:** TCEQ staff explained that the Stage I rules are found in an entirely separate Subdivision of the Chapter 115 rules and that staff did not anticipate that changes to the State II rules would affect the Stage I requirements. TCEQ staff is aware of the TX-101 and Tx102 tests requirements are listed in the Stage II rules and we are researching how to address the testing requirements if Stage II equipment is removed.

A stakeholder asked if a timeline would be given for decommissioning or if it would be a deadline date. They added that when Stage II was implemented that a deadline date was given, and that most stations waited until that date approached to begin contracting to install Stage II equipment leading to a shortage of crews to install equipment.

**Staff Response:** TCEQ staff is looking at all options for decommissioning and receiving comment on timelines would help us in coming up with a plan that would work best for industry and the TCEQ.

A stakeholder asked what was meant by “newly constructed” as referenced in the Executive Director’s Enforcement Discretion Directive. Did it mean if the existing equipment was taken out and new equipment installed, or if a single pump was taken out and new pump installed?

Staff Response: Staff has coordinated with the TCEQ Office of Compliance and Enforcement and “newly constructed” means a brand new constructed facility that has not begun to install equipment. Regional office staff present at the stakeholder meeting agreed with definition.

A stakeholder asked if an analysis had been done to show no negative effect on air quality in the areas if Stage II is removed.

Staff Response: TCEQ staff responded that staff had conducted a preliminary analysis using the EPA guidance and that the results indicated that the impact on air quality in the areas would be minimal and would not have an effect of the area meeting the appropriate ozone National Ambient Air Quality Standard (NAAQS). Staff further responded that TCEQ was now modeling these changes and that it was anticipated that the modeling would affirm the initial analysis.

A stakeholder asked if Texas was following what California was doing.

Staff Response: TCEQ staff responded that TCEQ is working within the EPA guidance to develop a plan for decommissioning that meets the needs of the state. California and Texas have different approaches in meeting the required NAAQS and the TCEQ is looking at decommissioning steps that will better serve station owners in the state.

A stakeholder commented that the Sierra Club is showing that vehicle ORVR is not as effective as everyone thinks and sued California to implement an enhanced Stage II program. They are concerned that if the state approves decommissioning that the state may come back at a later time and require facilities to put the equipment back on.

Staff Response: The TCEQ is considering decommissioning based on the EPA finalizing the federal rule that ORVR is in widespread use and that Stage II vapor recovery at fueling stations is no longer a necessary requirement.

A stakeholder commented whether GDFs that exceeded certain pass through limits would have to put on equipment.

Staff Response: After additional follow-up questions, it was determined that the stakeholder was asking about a Stage I requirement and it was determined that in their situation, decommissioning of Stage II would have no impact on any of their Stage I requirements.

A stakeholder commented whether the local enforcement programs were on board with the possible changes to Stage II.

**Staff Response:** TCEQ regional office will continue to work with local enforcement programs to ensure issues are worked out.

A stakeholder commented that TCEQ should not force station owners to decommission if their equipment (hoses/pipes) is still in compliance.

**Staff Response:** TCEQ is looking at all options in decommissioning including cost implications. Stakeholder comments on timelines, equipment life, and costs should be provided so that staff can make these assessments in preparing any revisions.

A stakeholder commented on capping the pipe to keep vapors from leaking. A brief discussion among stakeholders followed on pipe and hose issues.

**Staff Response:** TCEQ staff has requested that industry provide comment during this opportunity with stakeholders on equipment effected and decommissioning activities. Staff also reiterated that the EPA is recommending that the state follow industry standards, such as outlined in PEI/RP 300-09, for removal of Stage II equipment.

A stakeholder commented that government is bad about changing the rules, and again expressed concern that stations may be required to install Stage II equipment again at a later date.

**Staff Response:** TCEQ staff is working closely with the EPA and using their guidance in developing the decommissioning requirements. The EPA's finalized rule determining that ORVR is in widespread use is what has prompted the effort to decommission.

A stakeholder asked if El Paso was designated nonattainment when the new ozone standards came out, would stations be required to install Stage II again.

**Staff Response:** The reason we are looking at decommissioning Stage II equipment is because the EPA has determined that there are enough vehicles on the road that have the ORVR technology to catch the vapors from gasoline fueling that the Stage II equipment captured. So this emissions source is already being controlled, just by a different technology. In addition, as listed in the EPA's vehicle ORVR widespread use rule, any new area designated nonattainment after January 2011 would not be required to implement a Stage II program.

A stakeholder asked if we were modeling vehicles from Juarez that also fuel in El Paso but are older and do not have ORVR.

Staff Response: The TCEQ's review of data is for vehicles registered in El Paso County only. TCEQ staff will follow all established protocol related to the internationally shared airshed to ensure consistency with other El Paso SIP activities.

A stakeholder commented that they were concerned that older vehicles without ORVR in Juarez would impact the VOC emissions resulting in El Paso being again designated as nonattainment requiring Stage II equipment to again be installed.

Staff Response: TCEQ is only authorized to assess emissions of the vehicle fleet that is registered in the state of Texas. ORVR is a vapor recovery technology on vehicles that replaces the vapor recovery technology on station pumps. Fueling vapors are still being captured. Based on the EPA's final rule, any area designated nonattainment after January 2011 would not be required to implement a Stage II program.

A stakeholder asked if the removal of Stage II would affect general conformity.

Staff Response: TCEQ staff responded that an analysis on the effects of decommissioning Stage II was being conducted to ensure that the air quality benefits were not being impacted, including General Conformity requirements.

A stakeholder asked how preliminary the emissions numbers in the presentation were.

Staff Response: TCEQ staff is confident on the pre-analysis but is continuing to assess and model the emissions values to ensure that reduction benefits are not impacted by decommissioning.

A stakeholder commented that according to the trade industry, decommissioning was progressing at a fast pace in other states.

Staff Response: TCEQ staff is assessing available decommissioning options. However since the Stage II requirements are part of a SIP commitment and agency rules, a process must be followed to allow for rulemaking authorizing the appropriate method of decommissioning. A revised SIP, along with a Section 110 L demonstration, will have to be submitted to the EPA for their approval. Once we get approval from the EPA, Stage II decommissioning requirements will become effective.

A stakeholder commented that a decommissioning date may present a cost on stations because some of the equipment life at a station may not have expired yet and may be good beyond the decommissioning date.

**Staff Response:** TCEQ staff responded that we want to receive these types of comments to determine the timeline for decommissioning.

A stakeholder commented that decommissioning would be a business decision and that marketers with a number of stations would probably decommission as soon as possible.

**Staff Response:** Staff responded that we were receiving comment at these stakeholder meetings to develop a process that would meet the needs of small and big marketers.