

Working Group Meeting #5



Proposed Amended Rule 461 – Gasoline Transfer and Dispensing

Proposed Rule 461.1 – Gasoline Transfer and Dispensing for Mobile Fueling Operations

Proposed Amended Rule 219 – Equipment not Requiring a Written Permit Pursuant to Regulation II

Meeting Information

**June 24, 2021
10:00 a.m.**

Zoom Meeting Link:

<https://scaqmd.zoom.us/j/92894398248>

Dial In:

+1 (669) 900-6833

Meeting ID:

928 9439 8248



Presentation Agenda Overview



Summary of Working Group Meetings



Concepts for Proposed Amended Rule 219



Mobile Fueler Business Customer Categories



Looking Ahead



Agenda Item # 1

Summary of Working Group Meetings



Overview of Rulemaking Process

- Topics discussed during previous working group meetings
 - Identification of issues for mobile fueling and regulatory gaps
 - Background on health risk calculations
 - Proposed rule concepts for applicability, transfer equipment, and dispensing equipment
- Topics discussed during today's and future working group meetings:
 - Proposed rule concepts permitting requirements for retail mobile fueling (PAR 219) – today
 - Proposed rule concepts for customers (PR 461.1) – today
 - Proposed rule concepts for operating, testing, maintenance, and recordkeeping – future working group meetings

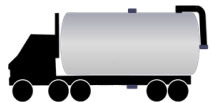





Working Group #4 Summary

- Overview of mobile fueling models and regulatory gaps
- Regulatory approach to mobile fueling
- Background on transfer and dispensing in Rule 461
- Proposed concepts for transfer and dispensing equipment

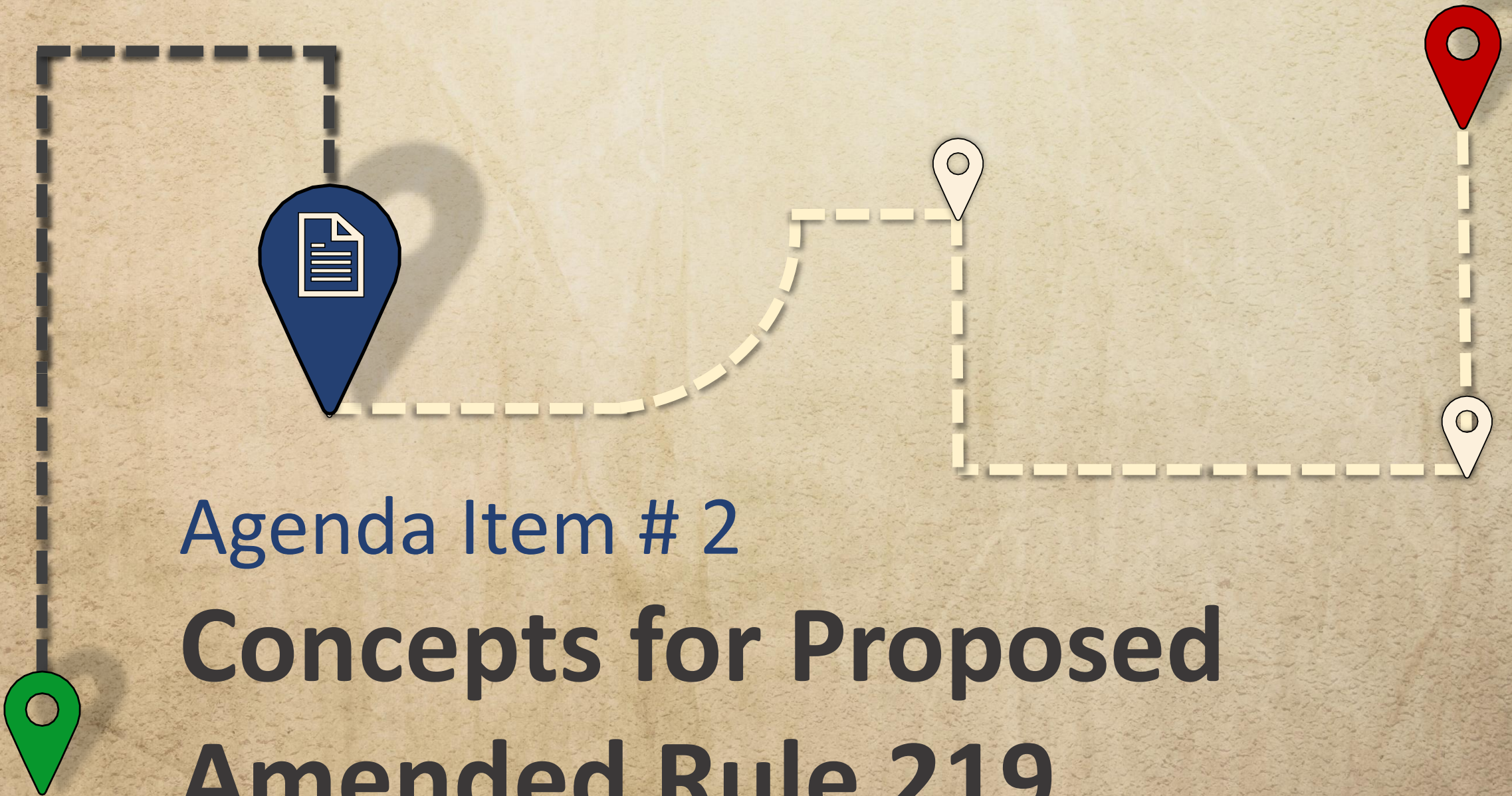


Current Mobile Fueler Permitting Requirements Discussed in Working Group #4

Mobile Fueling System	Cumulative Capacity (Gallons)	Requires a South Coast AQMD Permit to Operate? ¹	Regulatory Gap	
			Non-Retail	Retail
1  Phase I and Phase II Cab and Chassis Truck with Cargo Tank	350-4000	Yes	None	None
2  Phase I Cab and Chassis Truck with Cargo Tank	1,200	Yes	None	Permit required, but cannot be issued since retail fueling is not allowed under Rule 461
3  Pickup Truck with 3 Tanks	≥ 251	Yes	Permit required, but cannot be issued since retail and non-retail fueling is not allowed under Rule 461	
4  Pickup Truck with 2 Tanks	< 251 ²	No	Not required to be permitted and Rule 461 does not currently apply to this equipment	

¹ Determined based on Rule 219 cumulative capacity

² Each individual tank is ≤ 120 gallons

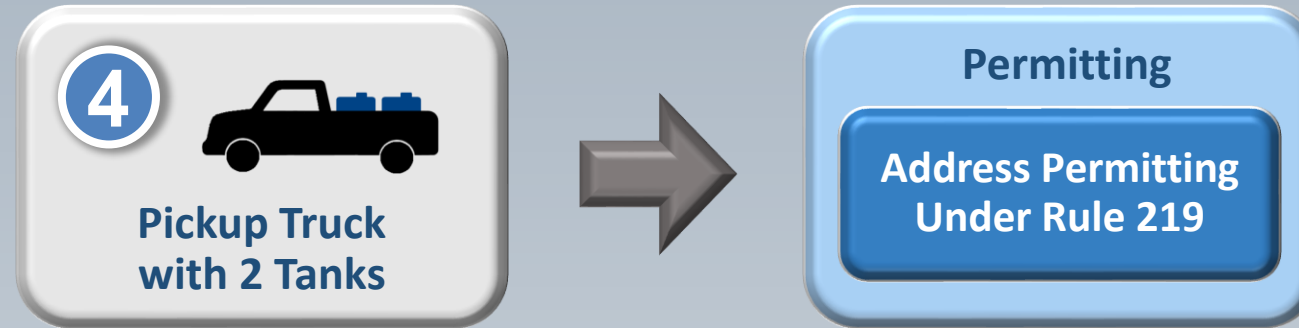


Agenda Item # 2

Concepts for Proposed Amended Rule 219



Background on Approach to Addressing Model 4



- Although no retail mobile fuelers responded to the survey, articles, and other sources indicated that retail mobile fuelers that are using Model 4 exist
- All mobile fuelers should be permitted to ensure:
 - Operations are below health risk thresholds
 - Potential emissions are accounted
 - Equipment is compliant with other South Coast AQMD rules (e.g. PR 461.1)



Rules Requiring Permits

- Permitting requirements are established under two rules:
 - Rule 203 – Permit to Operate
 - Rule 219 – Equipment not Requiring a Written Permit Pursuant to Regulation II

Rule 203

- Requires equipment, processes, or operations to be permitted if it may:
 - Cause the issuance of air contaminants; or
 - Reduce or control the issuance of air contaminants

Rule 219

- Identifies equipment, processes, or operations that do not require a permit because of very low emissions
- Includes exceptions
- Any equipment that does not require a permit must meet the recordkeeping requirements



Rule 203 Permitting Requirements for Mobile Fuelers

- Rule 461 (c)(1) and (c)(2) require mobile fueler tanks > 120 gallons to be equipped with a:
 - CARB certified Phase I vapor recovery system
 - CARB certified Phase II vapor recovery system
- Phase I and II vapor recovery systems control VOC emissions and are required to be permitted pursuant to Rule 203

Rule 203

- Requires equipment, processes, or operations to be permitted if it may:
 - Cause the issuance of air contaminants; or
 - Reduce or control the issuance of air contaminants



Rule 219 Requirements for Mobile Fuelers

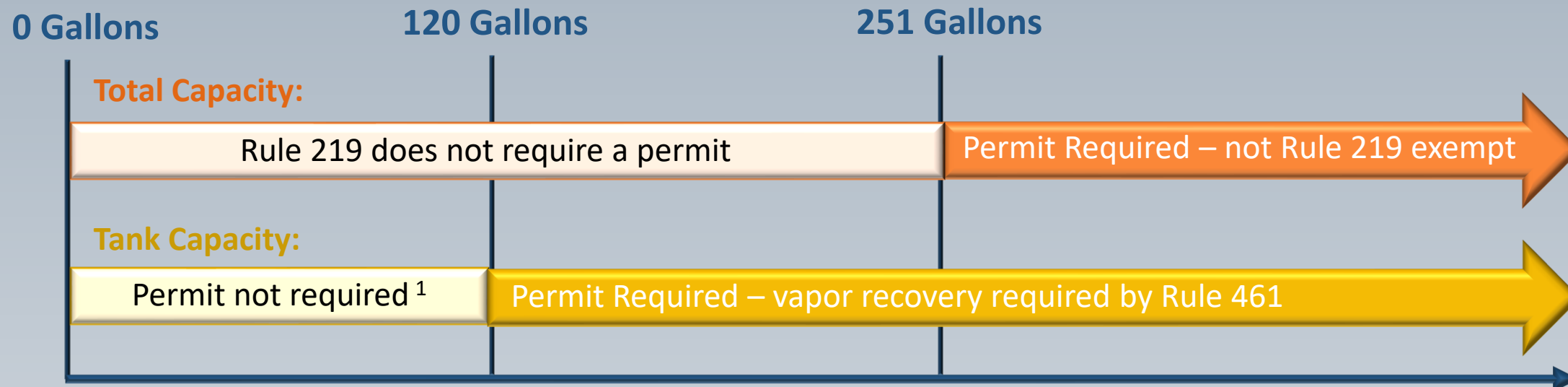
- Storage and Transfer Equipment - (m)(9)
 - Equipment used exclusively for VOC containing liquid storage or transfer to and from such storage, of less than 251 gallons capacity
 - In addition, this exemption does not apply where the combined storage capacity of all tanks exceeds 251 gallons and the tanks are mounted on a shared mobile platform
- Rule 219 (m)(9) does not exempt from permitting any vapor recovery equipment used for the control of vapors
- Exceptions - (s)(2)(A)
 - Written permits are required when the maximum individual cancer risk, cancer burden, chronic hazard index, or acute hazard index will be greater than applicable thresholds identified in Rule 1401 – New Source Review of Toxic Air Contaminants

Rule 219

- Identifies equipment, processes, or operations that do not require a permit because of very low emissions
- Includes exceptions
- Any equipment that does not require a permit must meet the recordkeeping requirements



Current Permitting Requirements for Mobile Fuelers



- Permits are required for a mobile fueler if:
 - Cumulative capacity of ≥ 251 gallons and
 - Tank capacity of > 120 gallons

¹ If a vapor recovery system is installed on mobile fueler less than 120 gallons, a permit is required

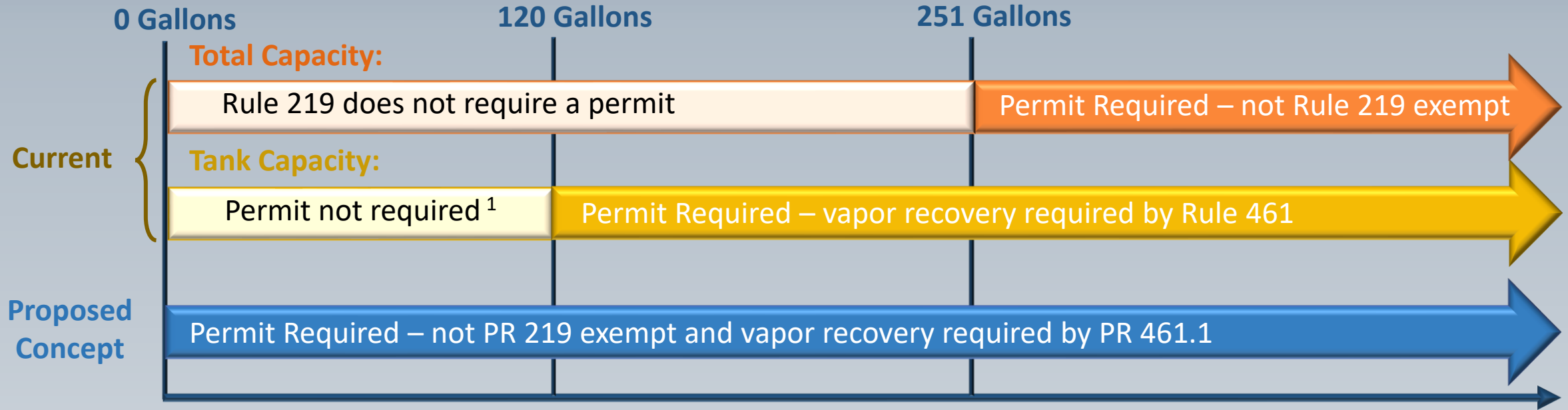


Need for Permitting Mobile Fuelers

- Establish conditions that are consistent with applicable South Coast AQMD rules
- Establishes consistent operating conditions for all mobile fuelers
- Establish throughput limits and other conditions to ensure health risks are maintained below thresholds consistent with Rules 1401 and 1401.1
- Ensures South Coast AQMD is aware of mobile fuelers
 - Information is needed for compliance verification
 - Levels the playing field for all retail mobile fuelers

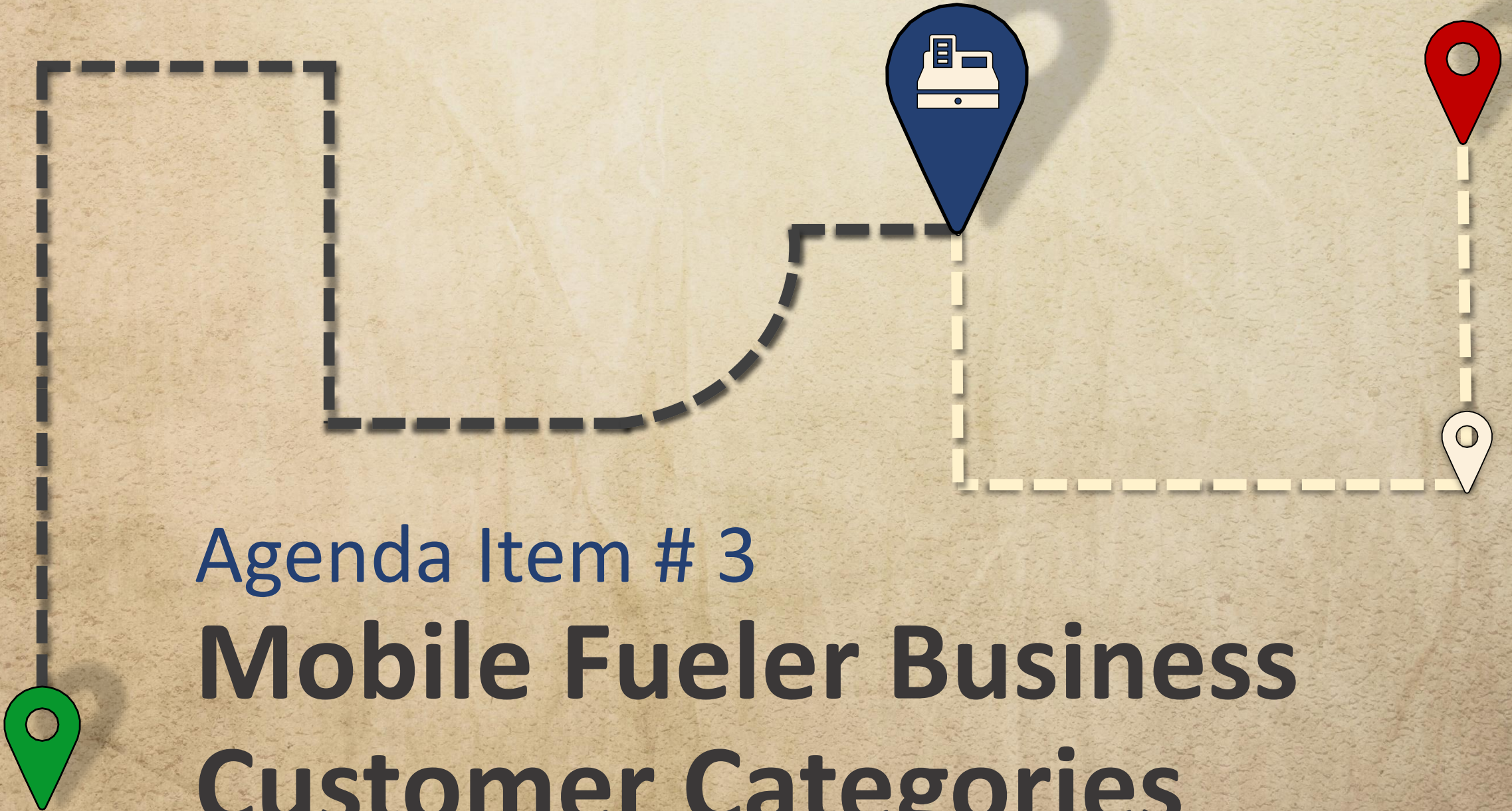


Initial Proposed Concepts for PAR 219 (m)(9) Mobile Fueling Operations



- Require all mobile fuelers that dispense gasoline into a motor vehicle to be permitted
- Staff is considering an exemption for mobile fuelers with a de minimis capacity (e.g., 5 gallons) and with a de minimis throughput based either an emission or risk threshold, with recordkeeping

¹ If a vapor recovery system is installed on mobile fueler less than 120 gallons, a permit is required



Agenda Item # 3

Mobile Fueler Business Customer Categories



Business Customer Categories

Non-Retail

Non-retail business customers are vehicles owned or under direct control by the same owner or operator as the mobile fueler

Retail

Two types of retail business customers:



Fleet



Consumer

- Rule 461 definition of a Retail Gasoline Dispensing Facility: *Any gasoline transfer and dispensing facility subject to the payment of California sales tax for the sale of gasoline to the public*
- Staff is proposing to include other types of retail operations in the definition of Retail Gasoline Dispensing Facility based on potential business models where gasoline is sold as part of service package



PR 461.1 Proposed Definition for Retail Mobile Fueler

- Retail mobile fueler – a mobile fueler that either serves as a retail gasoline transfer and dispensing facility and/or a compensated gasoline transfer and dispensing facility
 - Retail gasoline transfer and dispensing facility (Rule 461 definition)
 - Compensated gasoline transfer and dispensing facility – offers gasoline to the public and is compensated for the fuel transfer through direct or indirect payment, subscription payment, membership payment, etc.



Current Understanding of Customers for Retail Mobile Fueling

Based on review of other agencies' documents, survey responses, and discussions with other agencies, two different categories of customers were identified for retail mobile fueling:



Fleet

- Fueling vehicles owned and operated by a business or organization
- Typically a business with a fleet of vehicles, school, government municipality, etc.
- Known universe of motor vehicles



Consumer

- Fueling vehicles owned and operated by a private individual
- Conducted on properties assessable to the general public (e.g. parking lots, sports venues, entertainment venues, streets, etc.)
- Typically on-demand operations



Characteristics of Fleet Type Customer Retail Mobile Fueling



Fleet Characteristics

- Retail fleet fueling is similar to non-retail fleet fueling operations
 - Known inventory of vehicles
 - Determination of ORVR can be identified in advance of fueling
 - Dispensing locations are known and generally owned by the same owner of the vehicles
 - There is an ability to independently verify equipment and records
 - As the owner of the mobile fueler and the vehicle are the same, they are aware of and accountable for compliance

Initial recommendation: Allow retail mobile fueling for fleet customers provided mobile fueler is equipped CARB certified loading and dispensing systems



Characteristics of Consumer Retail Mobile Fueling



Consumer Retail Mobile Characteristics

- Multiple issues for consumer retail mobile fueling that span multiple agencies
 - Large variability in the type of vehicles that may be fueled
 - Locations may be wherever the consumer parks (e.g., public streets, near storm drains, sensitive receptors, etc.)
 - Multiple fire authorities have expressed concerns about fueling on public streets¹
 - Limited ability to inspect equipment, verify records, and ensure that consumers are aware of mobile fueling requirements

Initial recommendation: Do not allow retail mobile fueling for consumer retail customers – concerns for enforceability and fire authority issues

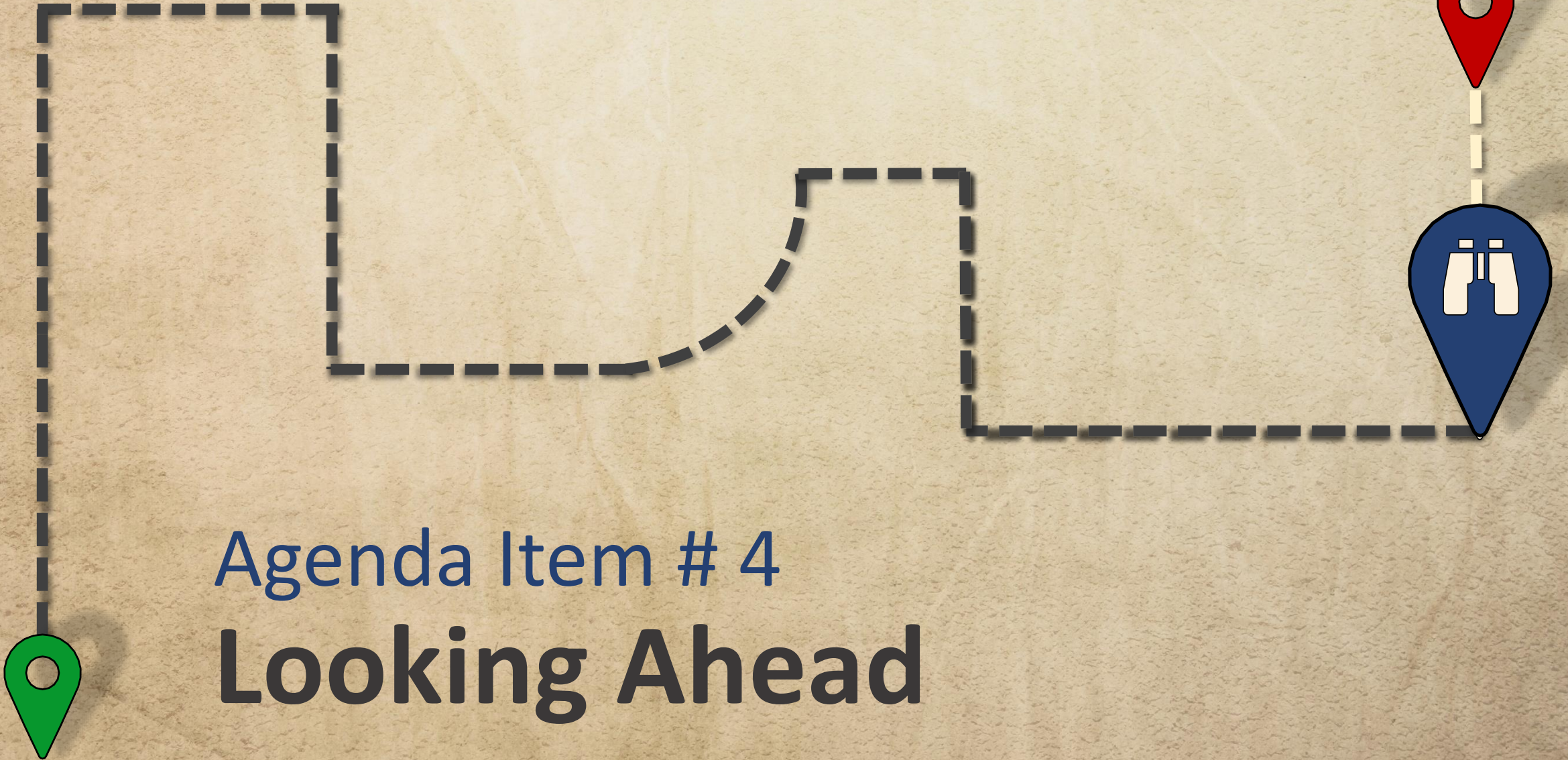
¹ Office of the State Fire Marshal incorporated, but did not adopt Chapter 57 Section 5707 – On-Demand Mobile Fueling Operations giving each local fire authority the ability to adopt their own code



Summary of Initial Concepts for Customer Retail Mobile Fueling

Mobile Fueling System	Allow in PR 461.1			Requires a South Coast AQMD Permit to Operate?
	Non-Retail	Retail		
		Fleet	Consumer	
1 Phase I and Phase II Vapor Recovery CARB Certified Systems	Allow	Allow	Not Allow	Yes
2 Phase I Vapor Recovery and Non-Vapor Recovery Dispensing Components CARB Certified Systems	Allow	Temporarily Allow ¹	Not Allow	Yes

¹ As discussed in Working Group Meeting #4, considering allowing equipment that does not have a Phase II recovery system until CARB certified equipment is commercially available



Agenda Item # 4
Looking Ahead



Next Steps



Public Hearing



Develop rule concepts



Continue information gathering




Hold working group meetings



PARs 461, 219, and PR 461.1 Staff Contacts


Please contact staff with any questions or comments

Britney Gallivan

 (909) 396-2792


 bgallivan@aqmd.gov

Neil Fujiwara

 (909) 396-3512

 nfujiwara@aqmd.gov

Susan Nakamura

 (909) 396-3105

 snakamura@aqmd.gov

Additional information is located on the [South Coast AQMD Proposed Rules and Proposed Rule Amendments Website](#)

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