State law requires that all retail and non-retail gasoline dispensing facilities (GDFs) with underground storage tanks be equipped with Phase II vapor recovery systems that have been certified as compatible for fueling vehicles equipped with Onboard Refueling Vapor Recovery (ORVR) systems. The deadlines for existing facilities to comply with this requirement are:

- September 1, 2005 GDFs with a calendar year 2003 gasoline throughput of 2 million gallons or greater
- January 1, 2006 GDFs with a calendar year 2003 gasoline throughput of 1 million gallons or more but less than 2 million gallons.
- March 1, 2006 GDFs with a calendar year 2003 gasoline throughput of less than 1 million gallons.

This is one of several requirements in the State’s Enhanced Vapor Recovery (EVR) program designed to further reduce emissions of gasoline vapors which contain toxic compounds and which contribute to the formation of atmospheric ozone (smog).

Failure to comply by the applicable deadline may result in significant non-compliance penalties and your gasoline dispensing equipment being tagged out-of-service.

As the regional air pollution control agency responsible for permitting and enforcement activities relating to GDFs, the South Coast Air Quality Management District (AQMD) is required to implement and enforce these State requirements. Presently, the California Air Resources Board (CARB) has certified four (4) ORVR compatible Phase II systems:

- Balance (CARB Executive Order G-70-52-AM and Approval Letter 03-04)
- Gilbarco Vapor Vac/OPW Vaporsaver (CARB Executive Order G-70-204)
- Healy (CARB Executive Orders G-70-191-AA and VR-201-A)
- Hirt (CARB Executive Order G-70-177-AA and Approval Letter 03-06)

If your present Phase II vapor recovery system is not one of these four systems, it must be replaced with an ORVR compatible Phase II system by the date above that corresponds with your throughput for calendar year 2003.
Additional EVR (Phase II) Requirements

In addition to the above deadlines for installing ORVR compatible Phase II vapor recovery systems, CARB regulations also require that all existing GDFs be equipped with EVR Phase II systems by January 1, 2009. Beginning as of April 1, 2005, new GDFs and facilities undergoing “major modifications” (see discussion below) must install an EVR Phase II system at the time of construction. Presently, CARB has certified only one Phase II system (Healy - CARB Executive Order VR-201-A) that meets both ORVR and EVR requirements. However, it is expected there will be other EVR Phase II systems certified and available in the next 6 to 18 months with additional systems certified in the future.

Major Modifications

A major modification is any construction or renovation that results in the addition, replacement, or removal of 50% or more of the buried vapor piping, replacement of 50% or more of a facility’s dispensers, or the number of dispensers at the facility is increased by 50% or more. In the event of a major modification, all dispensers must be replaced with unihose dispenser configurations, and the vapor control equipment must be upgraded to a State-certified EVR Phase II system. The unihose dispenser requirement does not apply to identical replacements of existing dispensers due to damage from an accident or vandalism. Also, CARB has determined that the EVR Phase II upgrade requirement does not apply if an existing vacuum assist-type Phase II system is replaced with a balance-type Phase II system to meet ORVR compatibility requirements and the existing dispensers are replaced with unihose configurations as part of the same modification.

Unless the aforementioned 50% limits are exceeded, upgrading to an ORVR compatible Phase II vapor recovery system does not, by itself, constitute a major modification and will not immediately trigger unihose dispenser or EVR Phase II requirements. However, facilities that will be replacing their existing Phase II systems with an ORVR compatible Phase II system should consider whether to install a system that will meet both ORVR and EVR Phase II requirements.

Things to Remember

1. **Know the facts** - Take the time to carefully review this advisory. Additional information is available at CARB’s web page at http://www.arb.ca.gov/vapor/vapor.htm. or you can visit AQMD’s website at www.aqmd.gov/comply/Rule461/EVR-Update.htm.

If you have questions regarding ORVR-compatible or EVR Phase II system requirements, please call AQMD at 1.866.770.9140.

2. **Assess your compliance status** - Become familiar with your GDF’s current compliance status and the efforts that will be necessary to comply with ORVR and EVR requirements by the specified deadlines. As of April 1, 2005, your station must already be equipped with:

   a. Nozzles approved to meet a standard for retention of liquid in the nozzle and listed in Exhibit 1 of ARB Executive Order G-70-199-AJ. If the nozzles at your facility are not listed in Exhibit 1, you need to replace them with the listed approved nozzles corresponding to your existing Phase II system; and

   b. EVR Phase I vapor recovery.

3. **Permitting** - Submit to the AQMD a permit application to modify your GDF’s existing Permit to Operate and ensure that you have an AQMD approved Permit to Construct in your possession before you start installation of the new equipment.
Permit applications and related information is available by calling 909.396.3385 or by visiting our website at www.aqmd.gov/comply/Rule461/R461EVRPermits.htm. Please allow at least 6 to 8 weeks for permit application processing.

4. Select a qualified contractor/installer - While AQMD can not provide a list of recommended contractors, we encourage you to do the research necessary to ensure you hire a qualified professional that can successfully complete the installation by the specified deadline. Request a commitment that the equipment will be obtained and installed by that time and that it will be installed in compliance with all applicable state and AQMD rules and regulations.

5. Plan ahead - Since the lead times for permit approval, the ordering of the necessary equipment, and the scheduling of the installation may be lengthy, take the necessary steps to ensure that sufficient time is provided to ensure your installation is completed before the deadlines. In some cases, additional approval may also be required from the fire department or local municipalities. If you anticipate not being able to meet your installation deadline for reasons beyond your reasonable control, consider filing a petition for a variance at least twenty (20) days before the deadline.

Consult the AQMD webpage at www.aqmd.gov/hearbd/variances.html for more information on variances.

6. Testing - System performance testing is required within 30 days of initiating operation of the new system. When conducted properly by a qualified testing company, testing verifies that the system was installed correctly and is operating in accordance with applicable CARB requirements.

A list of testing companies can be found at www.aqmd.gov/comply/Testersweblist.xls. This list identifies those companies that employ persons that have attended the AQMD's Tester Orientation Class (required to conduct testing in AQMD). The fact that a person has attended this class is not a representation that the tester is in good standing with the AQMD. Testing is a vital component of the installation process that can save you time and additional expenses later. Please practice all due diligence when selecting a testing company.