Owner/Operator:           March 8, 2019

According to our records, your facility is operating an aboveground storage tank with a remote dispensing configuration. This Advisory is being sent to you to remind you that current regulations require you to upgrade your gasoline dispensing equipment to a Phase II Enhanced Vapor Recovery (EVR) System to conform to Executive Order (EO) VR-501 no later than March 13, 2019.

CARB is currently proceeding with a proposed amendment to CP-206 and the Vapor Recovery Definitions (D-200) to include definitions for “Non-remote (integral) dispensing,” “Protected aboveground storage tank,” and “Remote dispensing.” Additionally, an exemption from the Phase II EVR upgrade requirements based on a facility wide throughput level of 480,000 gallons/year or less is included. The proposed draft language for the CARB amendments can be found here: https://ww2.arb.ca.gov/resources/documents/workshop-aboveground-storage-tank-phase-ii-vapor-recovery-requirements.

As the regional air pollution control agency responsible for permitting and enforcement activities relating to Gasoline Dispensing Facilities, the South Coast Air Quality Management District (SCAQMD) is required to implement and enforce these state requirements. If the proposed amendment is approved by the CARB governing board, SCAQMD will proceed with an amendment to Rule 461 to mirror the language referencing exemptions.

To allow facilities to continue to operate beyond the March 13, 2019 deadline, SCAQMD will petition the SCAQMD Hearing Board for a Group Order for Abatement to request compliance coverage for the impacted facilities while the rule making process continues. In order to assist owners/operators with identifying all potential compliance options, please refer to the table on the following page. As always, ceasing operation of affected equipment would be considered an acceptable compliance option.
Compliance Options for facilities with ASTs and remote dispensing configurations:

<table>
<thead>
<tr>
<th>Non-Retail (Industrial) Operations</th>
<th>Retail Operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Throughput &gt;480,000 gallons/year</td>
<td>Annual Throughput &lt;480,000 gallons per year</td>
</tr>
<tr>
<td>Option 1: Upgrade to Phase II EVR under VR-501 by 3/13/19.</td>
<td>Option 1: Submit a permit application to utilize the 100% ORVR Fleet exemption.</td>
</tr>
<tr>
<td>Option 2: Enter into a Stipulated Order for Abatement to upgrade to Phase II EVR under VR-501 after the 3/13/19 deadline.</td>
<td>Option 2: Submit a permit application to limit throughput to less than 480,000 gallons and enter into Group Order for Abatement.</td>
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<tr>
<td>Option 3: Submit a permit application to utilize the 100% ORVR Fleet exemption.</td>
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<tr>
<td>Option 4: Submit a permit application to limit throughput to less than 480,000 gallons and enter into Group Order for Abatement.</td>
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</tbody>
</table>

If you are interested in participating in the Group Order for Abatement please contact SCAQMD Assistant Chief Deputy Counsel Nicholas Sanchez at (909) 396-3450 immediately.

For more information on ORVR fleet exemptions, permitting and construction upgrades please see the following items to consider:

1. **On-board Refueling Vapor Recovery (ORVR) Fleet Facilities**

CARB Vapor Recovery Definition D-200 for ORVR Fleet Facilities and SCAQMD Rule 461(c)(4)(A) allow for non-retail facilities to be exempt from Phase II vapor recovery requirements if they fuel fleets that consist of **100%** ORVR vehicles. In lieu of Phase II requirements facilities **must** use hoses, breakaways and nozzle that are part of a “CARB certified” vapor recovery system, except that the vapor return line shall be sealed off.
2. Obtaining a Permit to Construct

Before you can start the installation of new equipment or convert to an ORVR Fleet Facility, a valid SCAQMD permit to construct shall be obtained and posted at the Gasoline Dispensing Facility. Permit application forms and related information is available by calling (909) 396-3385 or by visiting our website at http://www.aqmd.gov/home/permits. Please allow at least 6 to 8 weeks for the permit application processing. Questions regarding the application forms, filing fees, etc. may be directed to SCAQMD permit processing engineer Randy Matsuyama at (909) 396-2551.

3. Selecting a Qualified Contractor

While SCAQMD cannot provide a list of recommended contractors, we encourage you to do the necessary research to ensure you hire a qualified professional that can successfully complete the installation by the specified deadline. We also encourage you to request that the contractor have the proper credentials (e.g. manufacturer and International Code Council certifications) and guarantees the equipment will arrive in time and be installed in compliance with all applicable state and local rules and regulations.

4. Planning Ahead

You should contact other regulatory agencies to secure necessary permits for this retrofit. If it becomes apparent that you will not be able to meet the March 13, 2019 deadline, either because of another agency’s permitting requirements or other circumstance beyond your reasonable control, you may seek a variance from the South Coast Air Quality Management District Hearing Board. A variance will not relieve you of the obligation to comply with CARB and SCAQMD requirements but may provide you with additional time to comply. More information about variances is available on our website: http://www.aqmd.gov/nav/about/hearing-board/about-variances.

5. Testing New Equipment

Performance tests on the vapor recovery system are required within 10 days of the initial startup and operation of any new or altered Gasoline Dispensing Facility. When conducted properly by a qualified testing company, testing of the equipment verifies that the system was installed correctly and is operating in accordance with applicable CARB requirements.

Additional questions regarding this upgrade and rule amendments can be directed to Rule 461 Assistance at (909) 396-3546 or Rule461assistance@aqmd.gov.