# SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

# **Preliminary Draft Staff Report**

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

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# **Table of Contents**

BACKGROUND	1
PUBLIC PROCESS	1
AFFECTED FACILITIES	1
CONTROL TECHNOLOGY	1
EXPECTED EMISSIONS REDUCTIONS	
SUMMARY OF PROPOSAL	2
Subdivision (b) – Applicability	2
Subdivision (n) – Exemptions	2
CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)	3
SOCIOECONOMIC IMPACT ASSESSMENT	3
DRAFT FINDINGS UNDER HEALTH AND SAFETY CODE SECTION 40727	4
Necessity	4
Authority	4
Clarity	4
Consistency	4
Non-Duplication	4
Reference	
COMPARATIVE ANALYSIS	4
COST-EFFECTIVENESS ANALYSIS	4
INCREMENTAL COST-EFFECTIVENESS ANALYSIS	5
List of Figures	
Figure 1: PAR 461.1 – Subdivision (b)	2
Figure 2: PAR 461.1 – Paragraph (n)(3)	2
Figure 3: PAR 461.1 –Paragraphs (n)(3), (n)(4) & (n)(5)	

### **BACKGROUND**

Rule 461 was adopted on January 9, 1976, and regulates mobile and stationary gasoline dispensing facilities. Provisions for gasoline dispensing from mobile fuelers has been included in Rule 461 since 1995 and relied on the same approach as stationary gasoline dispensing which required the use of California Resource Air Board (CARB) certified Phase I and Phase II vapor recovery systems. However, the expansion of retail mobile fuelers within South Coast AQMD jurisdiction raised concerns that Rule 461 was not adequately addressing retail mobile fueler operations. Rule amendments were needed to address this regulatory gap. On January 7, 2022, Rule 461 was amended concurrently with the adoption of Rule 461.1. Rule 461 was amended to remove provisions for mobile fuelers, as these activities would now be subject to Rule 461.1. Rule 461 defined the term mobile fueler as any tank truck or trailer that is used to transport and dispense gasoline from an onboard storage tank into any motor vehicle and was not intended to apply to the dispensing of aviation gasoline into aircrafts. The adoption of Rule 461.1 addressed the regulatory gap in Rule 461 that allowed mobile fuelers to dispense gasoline without controlling gasoline vapor emissions. Rule 461.1 applies to mobile fueling operations and applies to the transfer of gasoline from any source into or out a mobile fueler as well as the dispensing of gasoline from the mobile fueler to any motor vehicle, fuel container, or equipment.

PAR 461.1 will clarify that aviation gasoline is exempt from the rule. This type of gasoline is used to fuel small aircraft powered by spark ignition engines. The purpose of this exemption is to align the applicability of Rule 461.1 with Rule 461. When Rule 461.1 was adopted, the applicability from Rule 461 was expanded to include gasoline dispensed from a mobile fueler into equipment or containers; however, the original intent was not to include aviation gasoline dispensed into an aircraft but to expand the requirements on retail mobile fueling operations.

### **PUBLIC PROCESS**

PAR 461.1 was developed through a public process. Staff will present PAR 461.1 during a Public Workshop on November 29, 2023, with the respective staff report released in advance. Proposed amended rule language will also be made available on November 17, 2023, and it will be included in the presentation for the Public Workshop.

#### AFFECTED FACILITIES

Based on the South Coast AQMD permit database and a survey conducted during the original rulemaking process when Rule 461.1 was adopted, staff estimated that there are approximately 80 total mobile fuelers in operation. Among these, 37 mainly operate at small airports. The mobile fuelers affected by this proposed rule amendment are primarily stationed within the 38 airport locations under South Coast AQMD jurisdiction. This amendment also exempts the dispensing of aviation gasoline into aircraft operated by military, law enforcement, and first responders. The affected mobile fuelers operating within these airport locations are only used to store and transport fuel for transfer into aircraft.

# **CONTROL TECHNOLOGY**

The proposed amendments do not include any requirements for air pollution control technologies.

# **EXPECTED EMISSIONS REDUCTIONS**

The proposed amendments are not expected to reduce emissions.

### SUMMARY OF PROPOSAL

PAR 461.1 adds an exemption for the transfer and dispensing of aviation gasoline to clarify the rule's original intention and removes outdated provisions.

# Subdivision (b) – Applicability

Staff is proposing to add a clarification to subdivision (b).

- (b) Applicability
  - This rule applies to an owner or operator of a Mobile Fueler that conducts retail or non-retail operations Dispensing Gasoline. This rule also applies to any person that:
  - (1) Conducts any test for a Mobile Fueler;
  - Installs, repairs, maintains, supplies, sells, or offers for sale components of a Mobile Fueler; or
  - (3) Manufactures CARB Certified Control Equipment or the associated components thereof.

Figure 1: PAR 461.1 – Subdivision (b)

# Subdivision (n) – Exemptions

In addition, staff is proposing to amend subdivision (n) to include a provision to exempt aviation gasoline.

(3) The provisions of this rule shall not apply to the Transfer and Dispensing of aviation gasoline, which is intended for fueling smaller aircraft powered by reciprocating spark ignition engines.

**Figure 2: PAR 461.1 – Paragraph (n)(3)** 

Furthermore, staff is proposing to remove rule language under paragraphs (n)(3), (n)(4), and (n)(5) that is now outdated.

- (3) Until July 1, 2022, the CARB Certified Phase I Vapor Recovery System requirements of paragraph (d)(1), subdivision (j), subdivision (k), and subdivision (m) shall not apply to the following Mobile Fuelers provided the Mobile Fueler is not equipped with a CARB Certified Phase I Vapor Recovery System:
  - (A) Retail Mobile Fueler with a Cumulative Capacity greater than 10 gallons and less than 251 gallons and no individual Cargo Tank is greater than 120 gallons that Dispenses into Motor Vehicles;
  - (B) Non-Retail Mobile Fueler with a Cumulative Capacity greater than 120 gallons and less than 251 gallons and no individual Cargo Tank is greater than 120 gallons that Dispenses into Motor Vehicles; or
  - (C) Non-Retail Mobile Fueler or a Retail Mobile Fueler that does not Dispense into Motor Vehicles.
- (4) Until July 1, 2022, the CARB Certified Phase II Vapor Recovery System requirements of paragraph (d)(2), subdivision (j), subdivision (k), and subdivision (m) shall not apply to the following Mobile Fuelers provided the Mobile Fueler is not equipped with a CARB Certified Phase II Vapor Recovery System:
  - (A) Retail Mobile Fueler with a Cumulative Capacity greater than 10 gallons and less than 251 gallons and no individual Cargo Tank is greater than 120 gallons that Dispenses into Motor Vehicles; or
  - (B) Non-Retail Mobile Fueler with a Cumulative Capacity greater than 120 gallons and less than 251 gallons and no individual Cargo Tank is greater than 120 gallons that Dispenses into Motor Vehicles.
- (5) Until July 1, 2022, subdivision (g) shall not apply to a Retail Mobile Fueler or Non-Retail Mobile Fueler operating at a Dispensing Location.

Figure 3: PAR 461.1 – Paragraphs (n)(3), (n)(4) & (n)(5)

### CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

Pursuant to the California Environmental Quality Act (CEQA) and South Coast AQMD's certified regulatory program (Public Resources Code Section 21080.5, CEQA Guidelines Section 15251(1) and South Coast AQMD Rule 110), the South Coast AQMD, as lead agency, is reviewing the proposed project (PAR 461.1) to determine if it will result in any potential adverse environmental impacts. Appropriate CEQA documentation will be prepared based on the analysis.

### SOCIOECONOMIC IMPACT ASSESSMENT

The proposed amendments to Rule 461.1 are administrative in nature and do not significantly affect air quality or emission limitations. Therefore, a socioeconomic impact assessment is not required under Health and Safety Code Sections 40440.8 and 40728.5.

# DRAFT FINDINGS UNDER HEALTH AND SAFETY CODE SECTION 40727

Before adopting, amending, or repealing a rule, the Health and Safety Code requires South Coast AQMD to adopt written findings of necessity, authority, clarity, consistency, non-duplication, and reference, as defined in Health and Safety Code Section 40727. The draft findings are as follows:

*Necessity* – PAR 461.1 is needed to align with the original intent of the rule by exempting aviation gasoline, which is used to fuel small aircrafts.

*Authority* – The South Coast AQMD Governing Board obtains its authority to adopt, amend, or repeal rules and regulations from Health and Safety Code Sections 39002, 40000, 40001, 40440, 40441, 40702, 40725 through 40728, 41508, and 41700.

*Clarity* – The South Coast AQMD Governing Board has determined that PAR 461.1 is written and displayed so that the meaning can be easily understood by persons directly affected by it.

**Consistency** – The South Coast AQMD Governing Board has determined that PAR 461.1 is in harmony with, and not in conflict with or contradictory to, existing statutes, court decisions, federal or state regulations.

**Non-Duplication** – The South Coast AQMD Governing Board has determined that PAR 461.1 does not impose the same requirement as any existing state or federal regulation, and the proposed amendments are necessary and proper to execute the powers and duties granted to, and imposed upon, the South Coast AQMD.

Reference — In adopting PAR 461.1, the South Coast AQMD Governing Board will be implementing, Interpreting or making specific the provisions of the Health and Safety Code Section 39656 et seq. (toxic air contaminants), 40000 (non-vehicular air pollution), 40001(rules to achieve and maintain ambient air quality standards), 40440 (adopt regulation to carry out plan), 40702 (adopt regulations to carry out plan), 41700 (nuisance), 41510 (right of entry), 41511 (rules to require source to determine emissions), 41950 (stationary Gasoline tanks), 41954 (gasoline marketing operation performance standards), 41964 (enhanced vapor recovery Phase II upgrade), 42300 et seq. (permitting), 42303 (requests for information), Federal Clean Air Act section 112 (Hazard Air Pollutants), and Federal Clean Air Act Section 116 (Retention of State Authority).

### **COMPARATIVE ANALYSIS**

Health and Safety Code Section 40727.2(g) is not applicable because the proposed amended rule does not impose a new emission limit or standard, make an existing emission limit or standard more stringent, or impose new or more stringent monitoring, reporting, or recordkeeping requirements and therefore, a comparative analysis is not required.

### **COST-EFFECTIVENESS ANALYSIS**

Health and Safety Code Section 40920.6 requires a cost-effectiveness analysis when establishing best available retrofit control technology (BARCT) requirements. PAR 461.1 is not establishing or imposing any BARCT requirements; therefore, a cost effectiveness analysis was not conducted. The amendment to Rule 461.1 is administrative in nature and it is not expected to have any associated costs.

# INCREMENTAL COST-EFFECTIVENESS ANALYSIS

Health and Safety Code Section 40920.6(a)(3) states that an incremental cost-effectiveness assessment should be performed on identified potential control options that meet air quality objectives. PAR 461.1 is not establishing or imposing any BARCT requirements that require control options; therefore, an incremental cost-effectiveness analysis was not conducted.