



Petroleum Company, Inc.

"Experience the Drake Petroleum Difference"

221 QUINEBAUG ROAD (RT 131)
NO. GROSVENORDALE, CT06255

(860) 935-5200
FAX (860) 456-9427

March 7, 2013

Energy & Technology Committee

House Bill 6534 – An Act Concerning Gasoline Vapor Recovery Systems

My name is Michele Alabiso, I am the Director of Environmental Affairs for Warren Equities, Inc. and its operating subsidiaries, Drake Petroleum Company, Inc. (Drake) and WAREX Terminals Corporation, Inc. (WAREX). Warren Equities Inc., owns, leases, operates and/or supplies fuel to approximately 80 retail petroleum distribution facilities, in the State of Connecticut. I am here today not only as a Director of Environmental Affairs for my company, but also on behalf of the Connecticut Energy Marketers Association (CEMA) formerly known as the ICPA and we are strong proponents of House Bill 6534 AN ACT CONCERNING GASOLINE VAPOR RECOVERY SYSTEMS.

For background information, on May 24, 2011, President Obama's Administration issued a report that stated, "Onboard refueling vapor recovery technology on today's gasoline-powered vehicles effectively controls harmful air emissions as cars and trucks refuel, thereby eliminating the need for controls at the gas pump." <http://www.whitehouse.gov/the-press-office/2012/05/10/executive-order-identifying-and-reducing-regulatory-burdens>;

The Obama Administration report also indicated that the phase-out of redundant Stage II vapor recovery will save industry approximately \$67 million per year which is money that can be invested to create jobs for our ailing economy.

We believe that the Legislature should vote to pass this bill because the decommissioning of Stage II Vapor Recover is consistent with the May 2012, United States Environmental Protection Agency (USEPA) opinion that widespread use of Onboard Refueling Vapor Recovery (ORVR) has been achieved as is required by the Federal Clean Air Act. <http://www.epa.gov/glo/pdfs/20120509fs.pdf>.

In addition, in February 2012, Connecticut's Department of Energy & Environmental Protection (CTDEEP) received approval from the USEPA to grant Stage II Vapor Recovery compliance waivers in Connecticut for newly constructed gasoline dispensing facilities because the Stage II Vapor Recovery technology was "rapidly becoming obsolete". http://www.ct.gov/dep/lib/dep/air/compliance_monitoring/temp_authorization/stage_ii_vapor_recovery-compliance_waiver.pdf;

As part of CTDEEP's efforts to begin the elimination of Stage II Vapor Recovery, they hired an independent consultant who concluded in June of 2012 that the state of Connecticut would meet widespread ORVR use by the summer of 2012. [http://www.ct.gov/dep/lib/dep/air/stageii/final-report_future_options_gdf_vapor-control-program_\(dkc-finalreport\).pdf](http://www.ct.gov/dep/lib/dep/air/stageii/final-report_future_options_gdf_vapor-control-program_(dkc-finalreport).pdf).

In February 2012 CTDEEP Commissioner Daniel Esty, issued a press statement in informing the public that Connecticut was taking steps to phase out Stage II Vapor Recovery systems to make "Connecticut a less costly place to do business and a better place to live". <http://www.ct.gov/deep/cwp/view.asp?Q=498810&A=4174>.

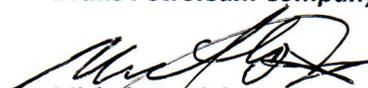
The Bill also needs to pass because of the unnecessary financial burden that the continued maintenance and testing places on the owners of the approximately 1,400 gasoline dispensing facilities located in Connecticut. Those costs can range between \$40,000 and \$70,000 per gasoline dispensing facility, with approximately \$5,000 in annual maintenance costs per year.

Last year there were nearly 15 million new ORVR equipped gasoline powered vehicles placed into service. This equates to approximately 40,000 new ORVR vehicles placed in use each and every day. Therefore, the percentage ORVR vehicles in-use has increased since the USEPA made its decision to eliminate Stage II VR and will continue to increase each and every day as new vehicles are purchased and placed into service and older, non-ORVR vehicles are removed from the state fleet;

Stage II incompatibility between ORVR and vacuum assist Stage II systems results in excess vapor being emitted through the tank vent pipe. With 94% of the gasoline dispensing facilities in Connecticut using vacuum assist equipment and now that widespread use has been achieved, it is imperative to pass this Bill.

Drake has already decommissioned all of its Stage II Vapor Recovery in New Hampshire, Maine and New York. We have been granted permission to not install Stage II Vapor Recovery at three (3) locations in Rhode Island. We believe that if other states in New England can see the value of decommissioning Stage II Vapor Recovery, Connecticut should step up to the plate, eliminate fugitive emissions caused by fueling vehicles already equipped with vapor recovery and allow us to begin the process of providing further protection to the environment and helping small businesses reallocate their financial resources to better their businesses. As such we respectfully request that the Energy and Technology Committee approves H.B. 6534, AN ACT CONCERNING GASOLINE VAPOR RECOVERY SYSTEMS.

Sincerely,
Drake Petroleum Company, Inc.



Michele A. Alabiso
Director of Environmental Affairs