



# House of Representatives

General Assembly

**File No. 430**

January Session, 2013

House Bill No. 6534

*House of Representatives, April 9, 2013*

The Committee on Energy and Technology reported through REP. REED of the 102nd Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

## **AN ACT CONCERNING GASOLINE VAPOR RECOVERY SYSTEMS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 22a-174e of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective from passage*):

3 (a) [On or before July 1, 1992, the Commissioner of Energy and  
4 Environmental Protection shall adopt regulations, in accordance with  
5 the provisions of chapter 54, and in consultation with the State Fire  
6 Marshal's Office, to require the installation of a stage II gasoline vapor  
7 recovery system for all gasoline pumps at any gasoline dispensing  
8 facility newly constructed on or after said date which will dispense  
9 more than ten thousand gallons of gasoline per month, and at any such  
10 existing facility for all gasoline tanks which are replaced on or after  
11 said date. Such regulations shall provide for specifications deemed by  
12 the commissioner to be necessary to implement such a vapor recovery  
13 system at each such facility, and may require, in order to comply with  
14 the federal Clean Air Act, that any other gasoline dispensing facility  
15 which dispenses more than ten thousand gallons of gasoline per

16 month shall implement such a vapor recovery system. On or after July  
17 1, 1993, the Commissioner of Energy and Environmental Protection  
18 may amend such regulations to require a stage II gasoline vapor  
19 recovery system at any newly constructed fuel dispensing facility  
20 which dispenses one thousand gallons or more of gasoline per month  
21 or at any existing gasoline dispensing facility for any gasoline tank  
22 which is replaced on or after July 1, 1993, where such tank has a  
23 capacity of one thousand gallons or more. The Commissioner of  
24 Energy and Environmental Protection may require, by regulation, that  
25 any vapor recovery equipment tested and approved by the California  
26 Air Resources Board, either before or after the effective date of such  
27 regulation, be required to be installed at any such fuel dispensing  
28 facility. Such regulations may require that any installed vapor recovery  
29 equipment be annually tested in accordance with functional test  
30 methods approved by the state of California Air Resources Board  
31 provided such regulations specifically set forth such methods and  
32 further provided nothing in this section shall preclude the  
33 commissioner from requiring additional testing upon the failure of any  
34 source to demonstrate compliance. Notwithstanding any regulation  
35 adopted pursuant to this chapter, a person may install a stage II  
36 gasoline vapor recovery system which has been tested and approved  
37 by the state of California Air Resources Board after November 1, 1992,  
38 provided such system utilizes only coaxial hoses.] As used in this  
39 section:

40 (1) "Decommission" means to render inoperable an operational stage  
41 II vapor recovery system by (A) permanently disconnecting all above-  
42 ground stage II vapor recovery equipment, and (B) sealing all above-  
43 ground and below-ground vapor or liquid paths that may release to  
44 the ambient air. Decommission does not require removal of below-  
45 ground stage II vapor recovery equipment;

46 (2) "Gasoline dispensing facility" means any site where gasoline is  
47 transferred to a motor vehicle from any stationary storage tank with a  
48 capacity of two hundred fifty gallons or more;

49 (3) "Pressure decay test" means an integrity test of the ullage portion  
50 of a gasoline storage system, during which such storage system is  
51 pressurized, pressure changes are monitored for a specified period of  
52 time and the final pressure is compared to an allowable value;

53 (4) "Stage I vapor recovery system" means a vapor recovery system  
54 that prevents the discharge to the ambient air of gasoline vapors while  
55 gasoline is transferred between a delivery vehicle and a gasoline  
56 dispensing facility; and

57 (5) "Stage II vapor recovery system" or "stage II vapor recovery  
58 equipment" means a vapor recovery system that prevents the  
59 discharge to the ambient air of gasoline vapors displaced during the  
60 dispensing of gasoline into a motor vehicle fuel tank.

61 (b) On or before July 1, 2015, the owner of any gasoline dispensing  
62 facility shall decommission any installed stage II vapor recovery  
63 equipment in accordance with subsection (c) of this section,  
64 notwithstanding any requirements in the regulations of Connecticut  
65 state agencies adopted by the Department of Energy and  
66 Environmental Protection pertaining to stage II vapor recovery  
67 systems. On or after the effective date of this section, no owner of any  
68 gasoline dispensing facility shall install a stage II vapor recovery  
69 system.

70 (c) Decommissioning of a stage II vapor recovery system shall: (1)  
71 Begin after such owner has notified the commissioner of the intent to  
72 decommission; (2) be performed in accordance with Section 14 of the  
73 2009 "Recommended Practices for Installation and Testing of Vapor  
74 Recovery Systems at Vehicle Refueling Sites" of the Petroleum  
75 Equipment Institute; and (3) be completed within one hundred days  
76 from initiation, unless the Commissioner of Energy and Environmental  
77 Protection grants an extension of time for good cause after a request  
78 for such extension by the owner of a gasoline dispensing facility. Such  
79 notification shall be made at least thirty days prior to decommissioning  
80 on a form prescribed by the commissioner.

81     (d) The owner of any gasoline dispensing facility with a stage I  
82 vapor recovery system annually shall perform a pressure decay test of  
83 such system. Such owner shall notify the Commissioner of Energy and  
84 Environmental Protection at least seven business days prior to a  
85 scheduled test on a form prescribed by the commissioner.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	22a-174e

**ET**           *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

**OFA Fiscal Note**

**State Impact:**

Agency Affected	Fund-Effect	FY 14 \$	FY 15 \$
Various State Agencies	Various - Savings	Approximately 5,000	Approximately 5,000
Various State Agencies	Various - Cost	Up to \$6,000 per unit	None

**Municipal Impact:**

Municipalities	Effect	FY 14 \$	FY 15 \$
Various Municipalities	Savings	Approximately 5,000	Approximately 5,000
Various Municipalities	Cost	Up to \$6,000 per unit	None

**Explanation**

The bill requires gas stations to decommission stage II vapor recovery systems. It is estimated that the state owns at least seven gas stations with stage II vapor recovery systems. It is not known how many municipalities own this type of gas station. There would be one-time costs for the state and municipalities to decommission these systems, anticipated to be up to \$6,000 per unit. However, the state and municipalities would realize a savings by no longer having to operate and maintain these systems, estimated to be \$5,000 annually.

**The Out Years**

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation and the number of stage II vapor recovery systems owned by the state and municipalities.

**OLR Bill Analysis****HB 6534*****AN ACT CONCERNING GASOLINE VAPOR RECOVERY SYSTEMS.*****SUMMARY:**

This bill (1) repeals requirements that gasoline dispensing facilities (e.g., gas stations) install stage II vapor recovery systems and (2) requires the facilities to decommission such systems. The systems have been superseded by on-board vehicle technologies, and the U.S. Environmental Protection Agency (EPA) has lifted the requirement that facilities in Connecticut and certain other areas have such systems.

The bill also requires the owner of any gasoline dispensing facility with a stage I vapor recovery system to (1) perform a pressure decay test of the system annually and (2) notify the Department of Energy and Environmental Protection (DEEP) commissioner at least seven business days before the test on a form he prescribes. The federal stage I requirements, which address emissions of air toxics, remain in effect.

EFFECTIVE DATE: Upon passage

**REPEALED PROVISIONS**

The bill repeals provisions that required the DEEP commissioner to adopt regulations to:

1. initially require installing a stage II gasoline vapor recovery system for all gasoline pumps at (a) new gasoline dispensing facilities that dispense more than 10,000 gallons of gasoline per month and (b) any such existing facility for all gasoline tanks that are replaced,
2. allow DEEP to reduce the threshold to 1,000 gallons per month,

and

3. allow DEEP to require that the vapor recovery equipment (a) meet California Air Resources Board (CARB) standards and (b) be tested annually using CARB-approved methods.

Current law allows DEEP to require additional testing, but allows anyone to install a stage 2 system that uses only coaxial hoses and has been tested and approved by CARB.

### **DECOMMISSIONING**

The bill requires the owner of any gasoline dispensing facility, by July 1, 2015, to decommission any installed stage II vapor recovery equipment. Under the bill, decommissioning means rendering an stage II vapor recovery system inoperational by (1) permanently disconnecting all above-ground stage II vapor recovery equipment, and (2) sealing all above-ground and below-ground vapor or liquid paths that may release to the ambient air. Decommissioning does not require removing below-ground stage II vapor recovery equipment.

The bill requires that decommissioning:

1. start after the facility owner has notified the DEEP commissioner of the intent to decommission, which must occur at least 30 days before decommissioning, on a form prescribed by the commissioner;
2. be performed according to Section 14 of the 2009 "Recommended Practices for Installation and Testing of Vapor Recovery Systems at Vehicle Refueling Sites" of the Petroleum Equipment Institute; and
3. be completed within 100 days from initiation, unless the DEEP commissioner extends this deadline for good cause after the owner requests an extension.

Starting on the bill's passage date, the bill bars facility owners from installing a stage II vapor recovery system.

**BACKGROUND*****Vapor Recovery Systems***

Vapor recovery systems capture pollutants released during refueling that create ozone (smog). Starting with the 1998 model year, onboard refueling vapor recovery (ORVR) systems were phased into the vehicle fleet, and this technology is now in widespread use.

In 2012, the EPA determined that the emissions reductions from ORVR would soon surpass the emission reductions achieved by stage II systems alone. Accordingly, it waived the federal stage II requirements and has allowed states that have mandated stage II systems under the federal Clean Air Act to revise their state plans that implement the act to remove this requirement.

**COMMITTEE ACTION**

Energy and Technology Committee

Joint Favorable

Yea 24 Nay 0 (03/21/2013)