

# 'Gasoline Dispensing Facility Emissions' Rulemaking Fiscal Advisory Committee

DEQ Air Quality

October 26, 2023  
Remotely Held Meeting

# Agenda

Time	Item
1 p.m.	<b>Introductions</b> Introductions, agenda review, updated timeline
1:10 p.m.	<b>DEQ presentation</b> Changes to draft rules
1:30 p.m.	<b>DEQ presentation</b> Overview of fiscal impacts
2:00 p.m.	<b>Discussion</b> ORS required questions & FAC discussion on fiscal impacts, feedback and questions
2:45 p.m.	<b>Any Additional Discussion</b> Next steps and public input
3 p.m.	Adjourn Meeting

# Introductions

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- Hello and welcome
- Introductions
  - DEQ Staff & Facilitator
  - Rulemaking & Fiscal Advisory Committee members
- Purpose of meeting

# Rulemaking Resources

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<https://www.oregon.gov/deq/rulemaking/Pages/GDF2022.aspx>

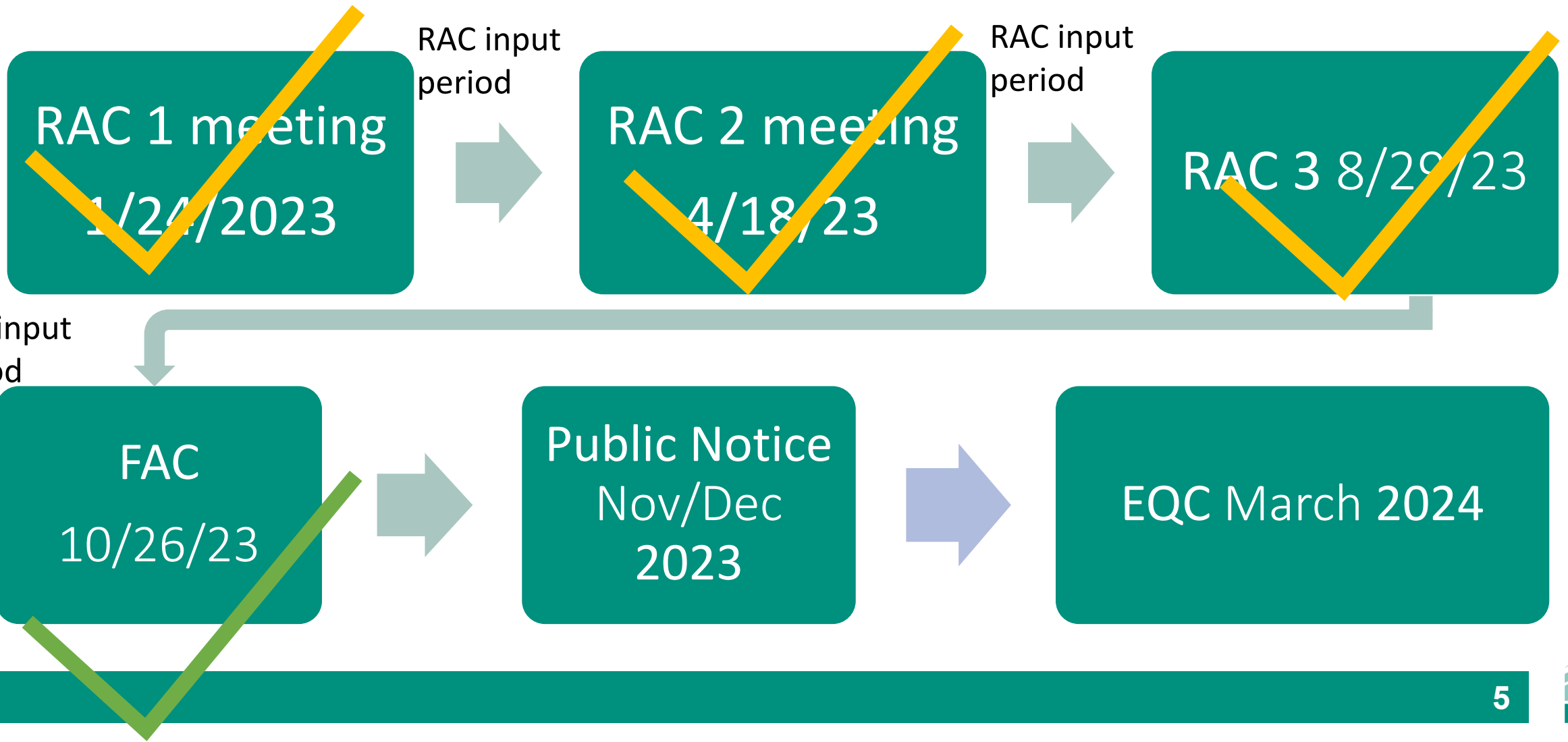
Primary Rulemaking Contact:

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503-875-5520

# Updated Timeline



# Clarifications Made to Draft Rules

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- Stage 2 vapor lines can be 'capped'
- Underground piping work requires a UST licensed service provider
- What is 'incompatible' Stage 2
- Split compartment tanks are separate tanks
- Stage 1 EVR:
  - inspection and repair language added
  - must comply with IOM manuals and mfg directions
- Some references to 'years' to 'months'

# Changes Made to Draft Rules

- GDF5 EVR install date to 12/31/29 from 2025
  - Single pt tanks use existing S1 until replacement
- S1 EVR & ECO required when S2 removed; delay if no gas is moved at the facility. Req'd before gas is moved.
- Incompatible Stage 2: Go S1 EVR on all tanks **or** install compatible S2
- A written plan required to describe work practices
- No Top Off sign on each dispenser or within 6 feet of each
- Replacing drop tube requires PD test within 45 days

# Changes to draft rules

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- Stage 2 system inspections to every 3
- Stage 1 vapor balance inspections for worn/ineffective equipment from 12 months to every 6
- Initial testing pushed from 3/1/25 to 7/1/25
- All testing required every 24 months instead of annually



# Changes to draft rules

- General ACDP
  - Less expensive
  - Faster to issue/assign
- AQGP-22.
  - Stage 1 equipment & uncontrolled
- AQGP-23.
  - Stage 2 equipped sites
- OAR 340-216-0060(3)
  - Fee Class descriptions
  - 1 through 6

Fiscal & Economic Impact General Permits			
AQGP-23		AQGP-22	
Current ACDP Annual Fee 4	\$734	Current ACDP Annual Fee 5	\$245
Current CAO Annual Fee 4	\$151	Current CAO Annual Fee 5	\$50
<b>Current Total Annual Fees</b>	<b>\$885</b>	<b>Current Total Annual Fees</b>	<b>\$295</b>
Proposed ACDP Annual Fee 4	No change	Proposed ACDP Annual Fee 4	\$734
Proposed CAO Annual Fee 4	No change	Proposed CAO Annual Fee 4	\$151
<b>Proposed Total Annual Fees</b>	<b>No change</b>	<b>Proposed Total Annual Fees</b>	<b>\$885</b>
<b>Increase Amount:</b>	<b>\$0</b>	<b>Increase Amount</b>	<b>\$586</b>
349 Facilities		820 Facilities	

# Permitting Implications

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- Rulemaking changes and future of permits
- Facilities on a GP expected to remain on a GP
- Emission factors updated based on controls at the site
- Plant Site Emission Limits (PSEL) rule changes in March 2023

# Fiscal Impacts

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- General ACDP fee changes
- By GDF type (1 – 5)
  - Overview
  - New vs. Existing
  - Throughput
  - Facility location
  - Current control requirements vs proposed

# Fiscal Impacts – GDF 1 & 2

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- What are they?
  - GDF 1 = a GDF but all tanks under 250-gallon capacity
  - GDF 2 = a GDF and any one tank over 250-gallon capacity
- No substantive changes to applicable control requirements.
- ~10 hours of time to review rules/permits
  - One-time expense of ~\$180

# Fiscal Impacts – Equipment

Average Equipment at GDFs in Oregon	
Equipment or Component	Average Number at a Facility
Pressure Vacuum Vent Valves	2.29
Dispensers	6.9
Gasoline Hoses	11
Gasoline Storage Tanks	2.63

- Equipment at average GDF in Oregon
- Based on available/known equipment details
- Each source is unique
  - Cost estimates provided can be modified based on equipment at a specific GDF

# Fiscal Impacts – GDF 3

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- Install Stage I Vapor Balance site-wide when reconstructed
- All new or replaced tanks must be dual point & have Stage I Vapor Balance.
- New facilities install dual points tanks and a Stage I Vapor Balance system upon startup
- Time to review rules, permits, and assess current/proposed operations, equipment and procedures

# Fiscal Impacts – GDF 3

- GDF 3 = 120,000+ gallons annual throughput
- New facility cost estimates:
  - In Clackamas, Washington, Multnomah County or in Portland AQMA, Medford AQMA, or Salem SKATS: ~\$360
    - 20 hours to review rules/permit = \$360
  - Outside: ~\$7,239\* (assuming this facility does not exceed 480,000 gallons, at which point the difference is reduced to ~\$360)
    - Equipment = \$5,799
    - Testing = \$900
    - 30 hours to review rules/permit = \$540

\*Impact does not account for the cost/expense of the equipment that would be purchased in lieu of the Stage 1 Vapor Balance equipment.

# Fiscal Impacts – GDF 3

- Existing facility cost estimates:
- In Clackamas, Washington, Multnomah County or in Portland AQMA, Medford AQMA, or Salem SKATS: ~\$330.
  - One additional test = \$150
  - 10 hours to review rules/permit = \$180
- Outside: ~\$3,465\* (assuming the existing facility does not exceed 480,000 gallons, at which point the difference is reduced to \$330).
  - Cost realized when a tank was replaced or added to the existing facility.
  - Equipment = \$2,205
  - 3 tests = \$900
  - 20 hours to review permit/rules = \$360

\*Impact does not account for the cost/expense of the equipment that would be purchased in lieu of the Stage 1 Vapor Balance equipment.



# Fiscal Impacts – GDF 4 (New)

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- Newly constructed facilities:
  - Install dual point Stage I EVR system on all tanks
  - Install ECO nozzles on all gasoline dispensing hoses
  - Time to review rules, permits, and assess current/proposed operations, equipment and procedures

# Fiscal Impacts – GDF 4 (Existing)

- Existing

- Install dual point Stage I EVR on each new or replaced tank; install dual point and Stage I EVR on all tanks at reconstruction
- Install ECO nozzles on all gasoline dispensing hoses when Stage I EVR system is installed (except for nozzles in S2 Vapor Recovery service)
- Remove/cap Stage II Vapor Recovery systems that are incompatible with ORVR and install Stage I EVR by 12/31/2029; or change to compatible Stage II system
- Time spent to review rules, permits, and assess current operations, equipment and procedures.

# Fiscal Impacts – GDF 4 & 5

New facility cost estimates:

- In Clackamas, Washington, or Multnomah County: ~ **-\$11,889**
  - Stage 2 equipment **not spent** = **\$12,375**
  - EVR equipment = \$3,331
  - One additional test = \$150
  - ECO Nozzle **savings** vs S2 nozzles = **\$3,355**
  - 20 hours to review permit/rules = \$360

# Fiscal Impacts – GDF 4 & 5

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New facility cost estimates:

- Outside Clackamas, Washington, or Multnomah County: \$5,923
  - EVR – Vapor Balance = \$3,378
  - One additional test = \$150
  - ECO nozzles = \$2,035
  - 20 hours to review permit/rules = \$360

# Fiscal Impacts – GDF 4 & 5

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Existing facility cost estimates:

- Inside Clackamas, Washington, or Multnomah County with incompatible Stage 2:
  - Switch to compatible Stage 2 system: \$8,757
  - Cease Stage 2, install EVR & ECO nozzles: \$14,333

# Fiscal Impacts – GDF 4 & 5

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- Incompatible Stage 2. Switch to compatible Stage 2 system:  
\$8,757
  - One additional test = \$150
  - Hanging hardware change = \$8,247
  - 20 hours to review permit/rules = \$360

# Fiscal Impacts – GDF 4 & 5

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- Incompatible Stage 2. EVR system & ECO nozzles: \$14,333
  - One additional test = \$150
  - Cap Stage 2 = \$2,000
  - EVR = \$8,761
  - ECO nozzles = \$3,062
  - 20 hours to review permit/rules = \$360

# Fiscal Impacts – GDF 4 & 5

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Existing facility cost estimates:

- Inside Clackamas, Washington, or Multnomah County with compatible Stage 2:
  - Maintain system: \$360.
    - 20 hours to review permit/rules = \$360
  - Cease Stage 2, install EVR & ECO nozzles: \$15,083



# Fiscal Impacts – GDF 4 & 5

- Compatible Stage 2. EVR system & ECO nozzles: \$15,083\*
  - Three compliance tests = **\$900**
  - Cap Stage 2 = \$2,000
  - EVR = \$8,761
  - ECO nozzles = \$3,062
  - 20 hours to review permit/rules = \$360

\*This cost is shared by GDF 5 facilities, but would be reduced by \$3,331 per single point tank at the facility

# Fiscal Impacts – GDF 4

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Existing facility cost estimates:

- Outside Clackamas, Washington, or Multnomah County (no Stage 2 installed): \$3,671 (when tank added/replaced; +\$1,126 per tank)
  - EVR equipment = \$1,126
  - ECO nozzles = \$2,035
  - One additional test = \$150
  - 20 hours to review permit/rules = \$360

# Fiscal Impacts – GDF 5

Existing facility outside Clackamas, Washington, or Multnomah County (no Stage 2 installed): \$3,671 (when tank added or replaced; +\$1,126 per tank) up to \$12,771\* (if all EVR + ECO at once)

## **One tank replacement:**

- EVR equipment = \$1,126
- ECO nozzles = \$2,035
- One additional test = \$150
- 20 hours to review permit and rules = \$360

## **All EVR + ECO by 12/31/2029:**

- EVR equipment: \$8,761
- ECO nozzles = \$2,750
- 3 tests = \$900
- 20 hours to review permit and rules = \$360

\*Estimate is reduced by \$3,331 per single point tank at the site

# Committee Discussion

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- Questions about previous slides?

(More general discussion time later)



# Committee Discussion

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Per ORS 183.33, committee's recommendations on:

1. Whether the proposed rules would have a fiscal impact,
2. The extent of the impact, and
3. Whether the proposed rules would have a significant adverse impact on small businesses;
  - a) if so, then how DEQ can comply with ORS 183.540 reduce that impact.

# Committee Discussion

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Per ORS 183.333 and 183.540, the committee to consider how DEQ could reduce the rules' fiscal impact on small business by:

1. Establishing differing compliance or reporting requirements or timetables for small business;
2. Clarifying, consolidating or simplifying the compliance and reporting requirements under the rule for small business;
3. Utilizing objective criteria for standards;
4. Exempting small businesses from any or all requirements of the rule; or
5. Otherwise establishing less intrusive or less costly alternatives applicable to small business.

# Committee Discussion

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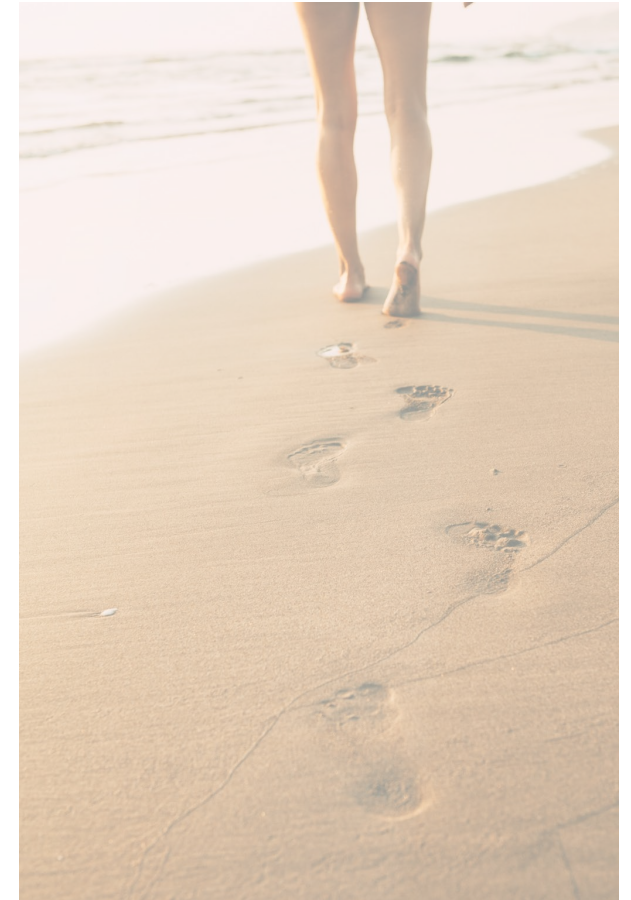
- Questions
- Discussion points
- Feedback



# Next Steps

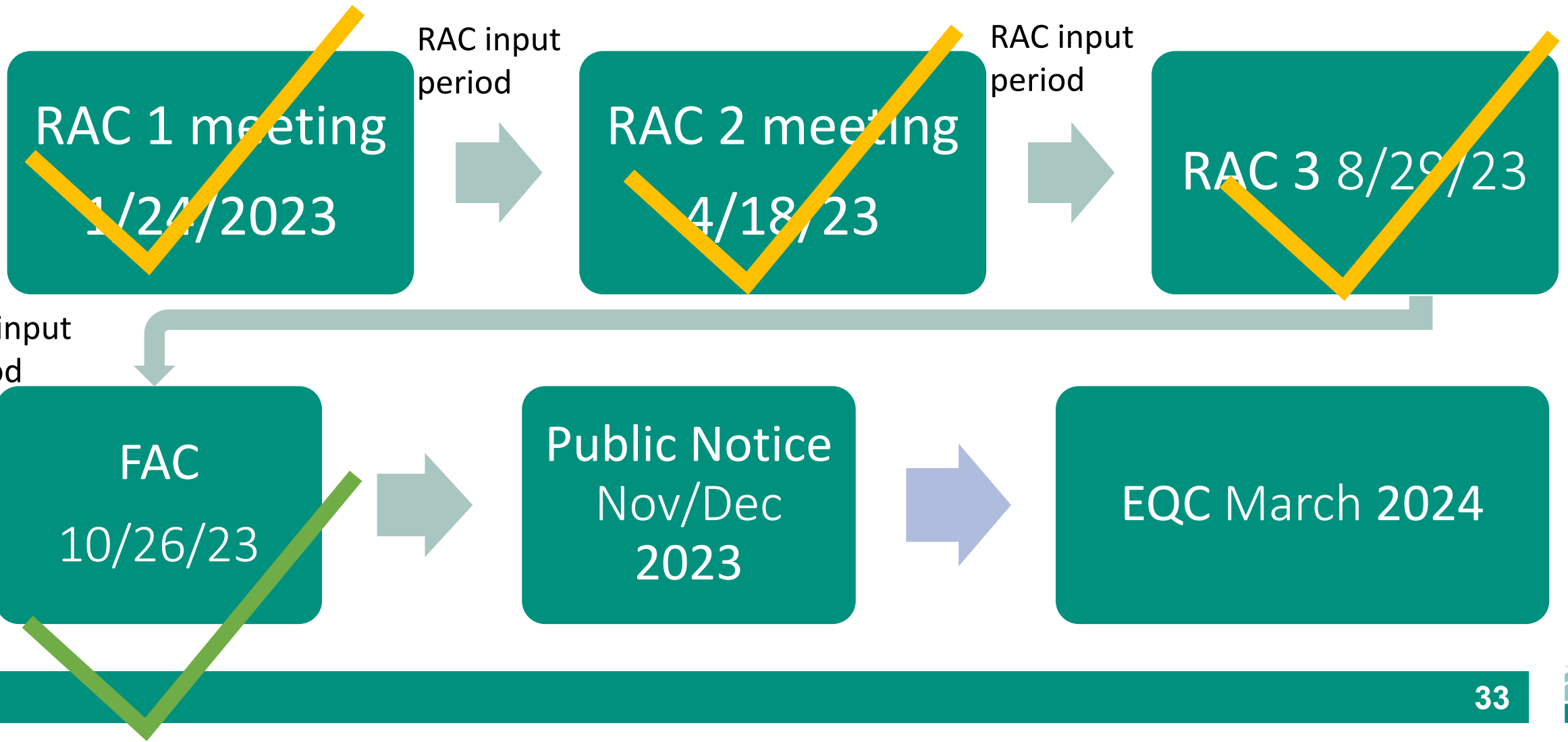
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- Final edits to draft rules
- Public Notice will include calculations you haven't seen yet because of EPA SIP requirements
- Open public comment period with public hearing in Nov/Dec
- RAC decision: public input during this meeting?





# Updated Timeline



# Thank you

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<https://www.oregon.gov/deq/rulemaking/Pages/GDF2022.aspx>

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