HOUSE BILL REPORT
HB 1891

As Reported by House Committee On:
Environment

Title: An act relating to stage II gasoline vapor control programs.

Brief Description: Concerning stage II gasoline vapor control programs.

Sponsors: Representatives Fey, Orcutt, Farrell and Moscoso.

Brief History:
Committee Activity:
Environment: 2/9/15, 2/19/15 [DPS].

Brief Summary of Substitute Bill

- Directs the Department of Ecology to submit an analysis and recommendations to the Legislature by December 1, 2015, regarding Stage II gasoline vapor recovery system requirements under the state Clean Air Act.

HOUSE COMMITTEE ON ENVIRONMENT

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 10 members: Representatives Fitzgibbon, Chair; Peterson, Vice Chair; Shea, Ranking Minority Member; Short, Assistant Ranking Minority Member; Farrell, Fey, Goodman, Harris, McBride and Pike.

Minority Report: Do not pass. Signed by 1 member: Representative Taylor.

Staff: Jacob Lipson (786-7196).

Background:

The Department of Ecology (ECY) and seven local air pollution control authorities (local air authorities) have each received approval from the United States Environmental Protection Agency (EPA) to administer aspects of the federal Clean Air Act in Washington. Local clean air agencies have primary responsibility for administering the state and federal Clean Air Acts in counties which have elected to activate a local air authority or to form a multicounty

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air authority; in other areas of the state, the ECY is responsible for administering state and federal Clean Air Act programs.

Under the federal Clean Air Act, each state maintains a State Implementation Plan (SIP) that describes how the state implements clean air programs to achieve the federal National Ambient Air Quality Standards (NAAQS) for air pollutants. If the state does not achieve NAAQS in a portion of the state for a particular air pollutant, that area is considered to be in nonattainment, and the state must revise its SIP with the goal of regaining attainment with NAAQS. The ECY must submit the SIP revisions to the EPA for approval and may work with affected local air agencies to revise the SIP. Historically, various areas of Washington failed to meet NAAQS standards for particular pollutants, including NAAQS ozone standards, and the SIP was consequently amended to incorporate actions designed to facilitate NAAQS compliance in those nonattainment areas.

Several technologies exist that are designed to capture gasoline vapor emissions from motor vehicle refueling activities at gasoline stations. One technology, onboard vehicle recovery systems (onboard systems), captures vapors in a canister contained in the motor vehicle being refueled. Federal law required onboard systems to be phased into new vehicles beginning in 1998. Another technology, Stage II gasoline emissions systems (Stage II systems), uses the refueling nozzle and hose to capture gasoline vapors in underground tanks. Stage II systems were mandated for use under the federal Clean Air Act in certain areas of Washington in the early 1990s and continue to be used by several local air authorities as a tool to maintain compliance with ozone-NAAQS under the SIP. State law also allows Stage II systems to be required in certain large-volume refueling stations in areas of the state that currently or historically did not meet NAAQS.

In 2012 the EPA eliminated a requirement that NAAQS nonattainment areas for ozone require Stage II systems at gasoline refueling stations. The EPA also published a guidance document in 2012 that contained recommendations for how states and local air authorities could receive EPA approval to remove or phase-out Stage II systems from their SIPs. The EPA guidance document noted that the incompatibility between some Stage II systems and onboard recovery systems could increase emissions under some circumstances.

The 2013-2015 Transportation Budget directed the Joint Legislative Audit and Review Committee (JLARC) to study programs regulating gasoline vapor emissions from gas stations and other businesses. The JLARC report that was finalized in January 2015 recommended that the ECY and local clean air agencies undertake an analysis of when Stage II systems at gas stations will begin to increase gas vapor emissions.

Summary of Substitute Bill:

In consultation with clean air agencies and in conjunction with the EPA's 2012 guidance, the ECY must evaluate Stage II system requirements under the state Clean Air Act. The ECY must cite the sources of information that it uses in the analysis, including peer-reviewed science. The analysis must include the following components:

- an estimate of when Stage II systems will begin to increase emissions;

- the costs and timelines associated with Stage II system removal;
- impacts to compliance with ozone and NAAQS standards;
- areas where EPA approval is needed prior to Stage II system requirement revisions; and
- the need for SIP revisions in the event of changes to Stage II system requirements in state law.

The ECY must submit the analysis to the Legislature by December 1, 2015, along with recommendations on business assistance, cost-effective measures for minimizing emissions increases, and assistance to local clean air agencies.

Substitute Bill Compared to Original Bill:

The substitute bill requires the ECY to cite the sources of information that it uses in the analysis of Stage II systems, including sources of peer-reviewed science.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) The nozzles that capture gas vapors are expensive and must be frequently replaced. Vapor-capture nozzles are technically incompatible with the vapor-capture systems installed in new cars because both systems are trying to vacuum vapors in different directions. The JLARC study recommended additional study of the need for these systems and also noted the extreme variation in the fees charged for system inspection by local air agencies.

(Opposed) None.

Persons Testifying: Representative Fey, prime sponsor; and Dave Ducharme, Washington Oil Marketers Association.

Persons Signed In To Testify But Not Testifying: None.