STATE OF TENNESSEE
DEPARTMENT OF ENVIRONMENT & CONSERVATION
DIVISION OF AIR POLLUTION CONTROL
WILLIAM R. SNODGRASS TENNESSEE TOWER
312 ROSA L. PARKS AVENUE, 15TH FLOOR
NASHVILLE, TN 37243

December 16, 2015

Heather McTeer Toney, Regional Administrator
U.S. EPA, Region 4 Office
Sam Nunn Atlanta Federal Center
61 Forsyth Street, SW
Atlanta, GA 30303

Re: SIP Submittal Revising Tennessee's Stage I and II Vapor Recovery Requirements

Dear Ms. Toney:

On November 12, 2015, the Tennessee Air Pollution Control Board approved changes to Tennessee Comprehensive Rule and Regulations 1200-03-18-.24 (Gasoline Dispensing Facilities – Stage I and Stage II Vapor Recovery). Tennessee requests that EPA approve this revision to the State Implementation Plan.

A copy of the SIP submittal is enclosed with supporting documentation. If you have any questions or comments concerning the enclosed materials, please contact Travis Blake at (615) 532-0617 or by email at travis.blake@tn.gov.

Sincerely,

Michelle W. Owenby
Technical Secretary
Tennessee Air Pollution Control Board

Enclosures

SIP Submittal Documents
Tennessee Comprehensive Rules and Regulations 1200-03-18-.24

Attachment	Description
Attachment 1	Final Rule 1200-03-18-.24
Attachment 2	Final Rule 1200-03-18-.24 (redline/strikeout version)
Attachment 3	Board Order 15-008
Attachment 4	Technical Support Document for the Removal of Stage II Vapor Recovery Requirements in Middle Tennessee
Attachment 5	Clean Air Act §110(l) Demonstration for Changes to Tennessee's Stage I Vapor Recovery Requirements
Attachment 6	Notice of Rulemaking Hearing, 1200-03-18-.24
Attachment 7	Public Depository Transmittal Information
Attachment 8	Affected State Notification
Attachment 9	Public Hearing Information
Attachment 10	Response to Written Comments

Attachment 1

Final Rule 1200-03-18-.24

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Division of Publications
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Nashville, TN 37243
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For Department of State Use Only

Sequence Number: _____
Rule ID(s): _____
File Date: _____
Effective Date: _____

Rulemaking Hearing Rule(s) Filing Form

Rulemaking Hearing Rules are rules filed after and as a result of a rulemaking hearing (Tenn. Code Ann. § 4-5-205).

Pursuant to Tenn. Code Ann. § 4-5-229, any new fee or fee increase promulgated by state agency rule shall take effect on July 1, following the expiration of the ninety (90) day period as provided in § 4-5-207. This section shall not apply to rules that implement new fees or fee increases that are promulgated as emergency rules pursuant to § 4-5-208(a) and to subsequent rules that make permanent such emergency rules, as amended during the rulemaking process. In addition, this section shall not apply to state agencies that did not, during the preceding two (2) fiscal years, collect fees in an amount sufficient to pay the cost of operating the board, commission or entity in accordance with § 4-29-121(b).

Agency/Board/Commission:	Environment and Conservation
Division:	Air Pollution Control
Contact Person:	Travis Blake
Address:	William R. Snodgrass Tennessee Tower 312 Rosa L. Parks Avenue, 15th Floor Nashville, TN
Zip:	37243
Phone:	(615) 532-0617
Email:	travis.blake@tn.gov

Revision Type (check all that apply):

X Amendment
___ New
___ Repeal

Rule(s) Revised (**ALL** chapters and rules contained in filing must be listed here. If needed, copy and paste additional tables to accommodate multiple chapters. Please enter only **ONE** Rule Number/Rule Title per row)

Chapter Number	**Chapter Title**
1200-03-18	Volatile Organic Compounds
Rule Number	**Rule Title**
1200-03-18-.24	Gasoline Dispensing Facilities – Stage I and Stage II Vapor Recovery

(Place substance of rules and other info here. Statutory authority must be given for each rule change. For information on formatting rules go to http://state.tn.us/sos/rules/1360/1360.htm)

Chapter 1200-03-18
Volatile Organic Compounds

Amendment

The Table of Contents for Chapter 1200-03-18 Volatile Organic Compounds is amended by changing the title of Rule 1200-03-18-.24 from "Gasoline Dispensing Facilities - Stage I and Stage II Vapor Recovery" to "Gasoline Dispensing Facilities."

Authority: T.C.A. §§ 68-201-101 et seq. and 4-5-201 et seq.

Rule 1200-03-18-.24 Gasoline Dispensing Facilities - Stage I and Stage II Vapor Recovery is amended by deleting it in its entirety and substituting instead the following:

1200-03-18-.24 Gasoline Dispensing Facilities

(1) The provisions of 40 CFR 63 Subpart CCCCCC (National Emission Standards for Hazardous Air Pollutants for Source Category: Gasoline Dispensing Facilities) are hereby adopted by reference as published in the July 1, 2014 edition of the Code of Federal Regulations (CFR), except as provided in subparagraphs (a) through (c) of this paragraph.

(a) Any reference contained in 40 CFR 63 Subpart CCCCCC to the:

1. Administrator shall instead be a reference to the Technical Secretary;

2. Applicable EPA regional office for the State of Tennessee shall instead be a reference to the EPA Region IV office; and

3. Delegated State authority shall instead be a reference to the Technical Secretary.

(b) If your gasoline dispensing facility (GDF) has a monthly throughput of less than 10,000 gallons of gasoline, and is located in Anderson, Blount, Carter, Cheatham, Davidson, Dickson, Fayette, Hamilton, Hawkins, Haywood, Jefferson, Knox, Loudon, Marion, Meigs, Montgomery, Putnam, Robertson, Rutherford, Sevier, Shelby, Sullivan, Sumner, Tipton, Unicoi, Union, Washington, Williamson, or Wilson Counties, you must also comply with the requirements in 40 CFR § 63.11117(b) and (c).

(c) If your GDF has a monthly throughput of 10,000 gallons of gasoline or more and is located in Anderson, Blount, Carter, Cheatham, Davidson, Dickson, Fayette, Hamilton, Hawkins, Haywood, Jefferson, Knox, Loudon, Marion, Meigs, Montgomery, Putnam, Robertson, Rutherford, Sevier, Shelby, Sullivan, Sumner, Tipton, Unicoi, Union, Washington, Williamson, or Wilson Counties, you must comply with the requirements in 40 CFR § 63.11118.

(d) For any GDF claiming an exemption from subparagraph (b) or (c) of this paragraph based on monthly throughput, if the GDF exceeds the applicability thresholds specified in subparagraph (b) or (c) of this paragraph, it shall be subject to the requirements of subparagraph (b) or (c) of this paragraph even if its throughput later falls below the threshold. The owner or operator shall inform the Technical Secretary within 30 days following the exceedance.

(2) Stage II vapor recovery requirements for GDF in Davidson, Rutherford, Sumner, Williamson, and Wilson counties.

(a) This paragraph applies only to GDF located in Davidson, Rutherford, Sumner, Williamson, and Wilson counties

(b) Any GDF with an existing Stage II vapor recovery system shall decommission and remove the system no later than three years after the effective date of this rule and no GDF shall install a

Stage II vapor recovery system on or after such date.

(c) On and after the effective date of this rule, no GDF shall be required to install a Stage II vapor recovery system and a GDF may decommission and remove the GDF's existing Stage II vapor recovery system.

(d) Any GDF that decommissions and removes a Stage II vapor recovery system shall conduct the decommissioning and removal in accordance with Petroleum Equipment Institute (PEI) guidance, "Recommended Practices for Installation and Testing of Vapor Recovery Systems at Vehicle Fueling Sites, PEI/RP300-09" for removal, notification, and certification.

(e) Any GDF that has a Stage II vapor recovery system must comply with all applicable provisions of subparagraph (f) of this paragraph until the system is decommissioned and removed.

(f) Stage II vapor recovery.

1. Definitions.

(i) "Vacuum assist system" means the gasoline vapor recovery system that employs a vacuum generating device to effect transfer of gasoline vapor displaced in fueling a vehicle tank to a gasoline storage tank, vapor storage tank, or vapor processing unit.

(ii) "Motor vehicle" means any self-propelled vehicle used to carry people or property on a street or highway.

(iii) "Stage II vapor recovery system" means a system to recover gasoline vapors displaced during dispensing to motor vehicle fuel tanks.

(iv) "Storage tank or storage vessel" means any stationary tank, reservoir or container used for the storage of a volatile organic liquid.

(v) "Volatile organic liquid" means any substance which is liquid at storage conditions and which contains volatile organic compounds.

2. The owner or operator of each GDF subject to this subparagraph shall comply with the following requirements:

(i) The Stage II vapor recovery system must be approved by the Technical Secretary; certified by the California Air Resources Board; designed, installed, operated, and maintained to recover gasoline vapors displaced during dispensing to motor vehicle fuel tanks; and accessible for inspection and testing.

(ii) The Stage II vapor recovery system shall include for any dispenser and system the following:

(I) Vapor-tight coaxial hose to conduct vapors captured during dispensing, except on new vehicle fueling lines at motor vehicle assembly plants where vapor-tight dual hose on vacuum assist systems may be employed in lieu of vapor-tight coaxial hose;

(II) For balance systems:

I. Installation of piping between the dispenser and the vapor collection tank which precludes liquid blockage in the piping; and

II. No device which inhibits immediate testing for dynamic backpressure;

(III) For vacuum assist systems, sufficient vacuum to prevent escape of

gasoline vapors during dispensing;

(IV) Vapor-tight piping, fittings, caps, couplers, and adapters; and

(V) Maintenance of vapor tightness throughout the vapor recovery system, except during facility storage tank loading, gauging, and sampling and during maintenance and testing necessitating disruption in the integrity of the system.

(iii) Use of any aftermarket or rebuilt parts is restricted to parts approved by the California Air Resources Board.

(iv) Gasoline shall not be dispensed from a dispensing unit served by or permitted to be served by a component which does not satisfy the following:

(I) Each component required for operation of the system is in place and, to the extent it can be confirmed by sensory inspection, is unimpaired and operational;

(II) Each nozzle boot is not torn in either of the following manners:

I. Triangular - shaped or similar tear 1/2 inch or more to a side, or hole 1/2 inch or more in length; or

II. Slit 1 inch or more in length.

(III) Each faceplate or flexible cone is not damaged in the following manner:

I. For balance nozzles and nozzles for aspirator and eductor assist type systems, damage such that the capability to achieve a seal with a fillpipe interface is diminished for an accumulated total of 1/4 of the circumference of the faceplate; or

II. For nozzles for vacuum assist systems, more than 1/4 of the flexible cone is missing;

(IV) Each nozzle shutoff mechanism is operational;

(V) Each vacuum producing unit is operational;

(VI) Each vapor processing unit is operational;

(VII) Each fitting, cap, coupler, and adapter is vapor-tight; and

(VIII) Each pressure/vacuum relief valve, vapor check valve, and dry break is operational.

(v) The owner or operator shall conspicuously display fueling instructions and information in the gasoline dispensing area. These instructions and this information shall describe to customers clearly the proper procedure to be used for fueling vehicles from the dispenser. These instructions and this information shall include instruction about the proper method of reporting system defects first to facility management, and, then if defects are not corrected, to the Technical Secretary. The notice of the method of reporting to the Technical Secretary shall be displayed no earlier than 3 months after and no later than 6 months after the display of the other instructions and information listed above.

3. Test methods as follow apply:

(i) The test methods found in Appendix J, Technical Guidance - Stage II Vapor

Recovery Systems for Control of Vehicle Refueling Emissions at Gasoline Dispensing Facilities, Volume II, EPA - 450/3-91-022b (November 1991), to determine compliance with applicable requirements specified in part (2)(f)2 of this rule; or

(ii) Other methods necessary for demonstration of compliance approved by the Technical Secretary and the EPA.

4. Notification requirements – Each owner or operator of any facility containing sources subject to this subparagraph shall provide the Technical Secretary written notice of any compliance demonstration testing. This notice shall be provided to the Technical Secretary such that the Technical Secretary is informed of the proposed testing at least 14 days before the proposed date of testing, thereby providing the Technical Secretary opportunity to observe the testing.

5. Recordkeeping requirements -- Each owner or operator of any facility containing sources subject to this subparagraph shall, except as provided otherwise in this chapter, maintain required permits and required logs of maintenance at the facility for which the permits are issued and the logs created for a minimum of 3 years. Such records shall be made available to the Technical Secretary upon request.

6. Excess Emissions Report - The owner or operator of any facility containing sources subject to this subparagraph shall comply with the requirements in paragraph (2) of Rule 1200-03-18-.04.

7. Compliance Demonstration Testing - The owner or operator of any facility containing sources subject to the provisions of this subparagraph shall:

(i) Within 30 days following the occurrence of an incident which could reasonably be expected to have adversely affected the performance of the system, such as excavation near system piping or following replacement of the system, perform applicable testing to demonstrate compliance is maintained; and

(ii) Within 5 years following any compliance demonstration for the complete system, demonstrate the system maintains compliance.

Authority: T.C.A. §§ 68-201-101 et seq. and 4-5-201 et seq.

* If a roll-call vote was necessary, the vote by the Agency on these rulemaking hearing rules was as follows:

Board Member	Aye	No	Abstain	Absent	Signature (if required)
Dr. John Benitez Licensed Physician with experience in health effects of air pollutants					
Karen Cisler Environmental Interests	✓				Karen Cisler
Dr. Wayne T. Davis Conservation Interests	✓				Wayne T Davis
Stephen Gossett Working for Industry with technical experience	✓				Stephen Gossett
Dr. Shawn A. Hawkins Working in field related to Agriculture or Conservation	✓				Shawn Hawkins
Richard Holland Working for Industry with technical experience	✓				Richard Holland
L. Shawn Lindsey Working in Municipal Government					
Dr. Tricia Metts Involved with Institution of Higher Learning on air pollution evaluation and control	✓				Tricia Metts
Chris Moore Working in management in Private Manufacturing	✓				Chris Moore
John Roberts Small Generator of Air Pollution representing Automotive Interests	✓				John Roberts
Amy Spann Registered Professional Engineer	✓				Amy Spann
Michelle Walker Commissioner's Designee, Dept. of Environment and Conservation	✓				David Linnenkohl
Larry Waters County Mayor	✓				Larry Waters
Jimmy West Commissioner's Designee, Dept. of Economic and Community Development					

I certify that this is an accurate and complete copy of rulemaking hearing rules, lawfully promulgated and adopted by the Air Pollution Control Board on 11/12/2015, and is in compliance with the provisions of T.C.A. § 4-5-222.

I further certify the following:

Notice of Rulemaking Hearing filed with the Department of State on: 07/02/15

Rulemaking Hearing(s) Conducted on: (add more dates). 08/31/15

Date: 11-16-2015

Signature: Barry R Stephens

Name of Officer: Barry R. Stephens, P.E.

Title of Officer: Technical Secretary

MALCOLM H. BUTLER STATE OF TENNESSEE NOTARY PUBLIC DAVIDSON COUNTY, TENN.

Subscribed and sworn to before me on: 11-16-2015

Notary Public Signature: Malcolm H. Butler

My commission expires on: 1-11-2017

All rulemaking hearing rules provided for herein have been examined by the Attorney General and Reporter of the State of Tennessee and are approved as to legality pursuant to the provisions of the Administrative Procedures Act, Tennessee Code Annotated, Title 4, Chapter 5.

Herbert H. Slatery III
Attorney General and Reporter

Date

Department of State Use Only

Filed with the Department of State on: _____

Effective on: _____

Tre Hargett
Secretary of State

Public Hearing Comments

One copy of a document containing responses to comments made at the public hearing must accompany the filing pursuant to T.C.A. § 4-5-222. Agencies shall include only their responses to public hearing comments, which can be summarized. No letters of inquiry from parties questioning the rule will be accepted. When no comments are received at the public hearing, the agency need only draft a memorandum stating such and include it with the Rulemaking Hearing Rule filing. Minutes of the meeting will not be accepted. Transcripts are not acceptable.

Comment: A commenter was concerned about the proposed compliance period beginning January 1, 2016 and the unlikelihood of the amendment become effective on or before that date.

Response: The Board agrees with the concerns of the commenter and has removed the specific date to begin the three year compliance period and replaced it with the phrase "on the effective date of the rule."

Comment: A commenter asked if the amendment will subject any new locations to Stage I requirements.

Response: This amendment will not subject any new counties or locations to Stage I vapor recovery requirements. Currently, gasoline dispensing facilities (GDF) located in Anderson, Blount, Carter, Cheatham, Davidson, Dickson, Fayette, Hamilton, Hawkins, Haywood, Jefferson, Knox, Loudon, Marion, Meigs, Montgomery, Putnam, Robertson, Rutherford, Sevier, Shelby, Sullivan, Sumner, Tipton, Unicoi, Union, Washington, Williamson, or Wilson Counties with a monthly throughput of 10,000 gallons or more are required to comply with Tennessee's Stage I vapor recovery requirements. GDF located in these counties will remain subject to the Federal equivalent of Stage I vapor recovery (40 CFR §63.11118) if their monthly throughput is 10,000 gallons or more. The lower applicability in these counties is necessary to comply with the anti-backsliding requirements of § 110(l) of the Clean Air Act. However, the lower threshold does not affect any facilities that were not already subject to the existing State requirement.

For all other counties in Tennessee, 40 CFR 63 Subpart CCCCCC subjects GDF to the requirements of 40 CFR §63.11118 at a monthly throughput of 100,000 gallons or more. This applicability will not change.

Comment: As a part of the new rules requiring upgraded equipment or decommissioning of equipment, a commenter asked if there will be any permitting or fees associated with decommissioning of Stage II vapor recovery.

Response: There will be no permitting or fees associated with decommissioning of Stage II systems.

Comment: In regards to subparagraph (1)(b) of Rule 1200-03-18-.24, a commenter asked if there is a current requirement in the Tennessee rule for length of submerged fill. Does the department have an estimate of number of older stations that will not meet the new requirements and will it require new submerged fill? Does the department have a cost estimate for new submerged fill, including all installation costs?

Response: Currently, Rule 1200-03-18-.24(3)(a)1 requires that gasoline dispensing facilities located in the listed counties[1] and with less than 10,000 gallons/month of throughput shall load gasoline storage vessels by submerged fill and defines "submerged fill" as the method of filling a delivery vessel or storage vessel where product enters within 5.9 inches of the bottom of the vessel. Bottom filling of delivery and storage vessels is included in this definition.

The proposed rule would require gasoline dispensing facilities that are located in the listed counties and have less than 10,000 gallons/month of throughput to comply with 40 CFR § 63.11117(b) and (c). 40 CFR § 63.11117(b) requires facilities to load gasoline into storage tanks

1 Anderson, Blount, Carter, Cheatham, Davidson, Dickson, Fayette, Hamilton, Hawkins, Haywood, Jefferson, Knox, Loudon, Marion, Meigs, Montgomery, Putnam, Robertson, Rutherford, Sevier, Shelby, Sullivan, Sumner, Tipton, Unicoi, Union, Washington, Williamson, or Wilson County

utilizing submerged filling, as measured from the point in the opening of the submerged fill pipe that is the greatest distance from the bottom of the storage tank.

- Submerged fill pipes installed on or before November 9, 2006, must be no more than 12 inches from the bottom of the tank.
- Submerged fill pipes installed after November 9, 2006, must be no more than 6 inches from the bottom of the tank.
- Submerged fill pipes not meeting the specifications above are allowed if the owner or operator can demonstrate that the liquid level in the tank is always above the entire opening of the fill pipe. Documentation providing such demonstration must be made available for inspection by the Administrator's delegated representative during the course of a site visit.

The existing State requirement for submerged fill (5.9 inches from the bottom of the tank) is slightly more stringent than the Federal requirement (6 inches from the bottom of the tank), so there should be no additional costs associated to facilities complying with Rule 1200-03-18-.24(3)(a)1.

Comment: In regards to subparagraph (1)(c) of Rule 1200-03-18-.24, a commenters asked what the current requirement is for stations with a monthly throughput of 10,000 or more. Does the department have an estimate of how many stations do not meet the proposed standard and what the cost per station upgrade will be?

Response: Stations located in the listed counties (see footnote 1) with a monthly throughput of 10,000 gallons or more are required to comply with Tennessee's Stage I vapor recovery requirements, and we do not expect facilities to need upgrades if they are in compliance with the existing State requirement.

Comment: Regarding Stage II, a commenter asked if the state will allow partial decommissioning. For instance, allowing certain parts such as existing hoses, nozzles, breakaway valves and swivels (hanging hardware) and vapor pumps to be left in place.

Response: The Board is not proposing to allow partial decommissioning. GDFs would be required to decommission and remove the Stage II vapor recovery system in accordance with Petroleum Equipment Institute (PEI) guidance, "Recommended Practices for Installation and Testing of Vapor Recovery Systems at Vehicle Fueling Sites, PEI/RP300-09" for removal, notification, and certification. In general, the PEI guidance allows piping to be abandoned in place but requires replacement of hanging hardware.

Comment: As part of the new rules requiring upgraded equipment or decommissioning of equipment, a commenter asked if there will be a permit process involved which will be established later by the Technical Secretary.

Response: There will not be a permit process for upgrading/decommissioning of equipment.

Comment: As part of the new rules requiring upgraded equipment or decommissioning of equipment, a commenter asked if there will be any fees associated or anticipated.

Response: There will not be any fees associated with upgrading/decommissioning of equipment.

Comment: A commenter asked to be provided with a chart of differences between this proposed rule and the rules of the counties that have their own programs, i.e., Davidson, Hamilton, Knox and Shelby.

Response: A copy of Tennessee's "110(l)" demonstration was provided to the commenter as requested. The Department is required to submit the "110(l)" demonstration to EPA to show that the revised State requirements are at least as stringent as the Federal requirements. The "110(l)" demonstration includes a comparison of State and Federal requirements.

Knox and Shelby Counties have directly adopted the State regulation, and there is no difference between those two counties and the existing State requirements. Davidson County has some requirements for GDFs that are more stringent. Hamilton County's rules are worded differently, and a direct comparison is more difficult.

Comment: A commenter was concerned about the cost to businesses.

Response: An estimated cost to businesses has been prepared. Over time, the cost of decommissioning an existing Stage II system (varies, but up to $10,000) is offset by reduced maintenance and testing costs (~$3,000 per year).

Stage II Vapor Recovery Decommissioning Cost Estimates
April 24, 2015

Activity	Estimated Cost	Source
Estimated decommissioning cost for one single-hose dispenser	~$800	TDEC estimate based on Wisconsin vendor pricing (January 2013)
Estimated decommissioning cost for one multi-hose dispenser (3 hoses)	~$1,300	TDEC estimate based on Wisconsin vendor pricing (January 2013)
Estimated decommissioning cost for a facility with six multi-hose dispensers (3 hoses each)	~$5,500	TDEC estimate based on Wisconsin vendor pricing (January 2013)
Decommissioning cost estimated by Georgia EPD	$1,500 - $2,500	Georgia EPD
Decommissioning cost for example site with 6 single-hose, multiproduct dispensers with vacuum assist system and four tanks: 2 manifolded regular unleaded, 1 premium, and 1 diesel	$4,600 ($1,132 labor, $468 testing, $3,000 new hardware)	Georgia Tank and Environmental Contractors Association
Estimated decommissioning cost for one single-hose dispenser	~$600	TN Fuel and Convenience Store Association, Tri-Star Energy
Estimated decommissioning cost for one multi-hose dispenser	~$1,650	TN Fuel and Convenience Store Association, Tri-Star Energy
Estimated decommissioning cost for a facility with six multi-hose dispensers	~$10,000	TN Fuel and Convenience Store Association, Tri-Star Energy

Range of decommissioning costs:
One single-hose dispenser: $600 - $800
One multi-hose dispenser: $1,300 - $1,650
Six multi-hose dispensers: $4,600 - $10,000

Cost Estimates for Retaining Stage II Vapor Recovery
April 24, 2015

Activity	Estimated Cost	Source
Cost of installing Stage II vapor recovery equipment at new GDFs (includes USTs, associated piping, pumps and ancillary equipment)	$20,000 to $60,000	EPA[2]
Cost of installing Stage II vapor recovery equipment at new GDFs (includes USTs, associated piping, pumps and ancillary equipment)	$25,000	Georgia EPD[3]
Annual cost to maintain existing Stage II systems (average size GDF)	$3,000 per year	EPA
Maintenance and testing of Stage II systems	~$3,000 Annually	Georgia EPD stakeholder meeting, April 2013
Cost of additional Stage II dispensers at an existing facility	~$3,200	Georgia EPD stakeholder meeting, April 2013
Cost Stage II systems at a new facility	~$32,000	Georgia EPD stakeholder meeting, April 2013

2 U. S. EPA, *Guidance on Removing Stage II Gasoline Vapor Control Programs from State Implementation Plans and Assessing Comparable Measures*. August 7, 2012.

3 Georgia Department of Natural Resources, Environmental Protection Division, Air Protection Branch, *Draft Revision to the Georgia State Implementation Plan for the Removal of Georgia Rule 391-3-1-.02(zz) Gasoline Dispensing Facilities – Stage II*. September 25, 2014.

Regulatory Flexibility Addendum

Pursuant to T.C.A. §§ 4-5-401 through 4-5-404, prior to initiating the rule making process as described in T.C.A. § 4-5-202(a)(3) and T.C.A. § 4-5-202(a), all agencies shall conduct a review of whether a proposed rule or rule affects small businesses.

(1) The type or types of small business and an identification and estimate of the number of small businesses subject to the proposed rule that would bear the cost of, or directly benefit from the proposed rule.

The small businesses that would be affected by the proposed rule are primarily gasoline distributors and convenience store owners. Other types include auto dealerships, contractors, farms, hospitals, and truck/transportation businesses. The approximate number of small businesses that are affected by the changes to Stage II rules and potentially subject to decommissioning is 310. The approximate number of all businesses subject to the Stage II rules and potentially subject to decommissioning is 555. Facilities subject to Stage I rules and should already be in compliance are as follows: 2384 small businesses and 3223 total businesses (does not include government entities).

(2) The projected reporting, recordkeeping, and other administrative costs required for compliance with the proposed rule, including the type of professional skills necessary for preparation of the report or record.

The projected reporting, recordkeeping, and administrative costs required for compliance with Stage II decommissioning would be minimal. Potential costs could be associated with notification of decommissioning prior to decommissioning and submission of certification of decommissioning. The submission of certification of decommissioning may require the signature or copy of the decommissioning report by the professional that completes the decommissioning according to the Petroleum Equipment Institute (PEI) guidance, "Recommended Practices for Installation and Testing of Vapor Recovery Systems at Vehicle Fueling Sites, PEI/RP300-09". Reporting, recordkeeping, and other administrative costs for compliance with Stage I requirements are more substantial, though most facilities have automatic recordkeeping tools that can be used to collect the necessary information. Facilities should already be in compliance with Stage I requirements and there should be no additional costs to businesses.

(3) A statement of the probable effect on impacted small businesses and consumers.

Probable effect on impacted small businesses and consumers is some downtime as the decommissioning process is conducted. The decommissioning process is not expected to be a lengthy procedure except in the event of a large number of dispensers needing to be decommissioned. Downtime is likely to be measured in hours or a few days at most. There would be an up-front cost to impacted businesses to conduct the decommissioning that would be offset by deferred maintenance costs to maintain the Stage II system. Facilities subject to only Stage I should already be in compliance and there should be no further impact to them.

(4) A description of any less burdensome, less intrusive or less costly alternative methods of achieving the purpose and objectives of the proposed rule that may exist, and to what extent the alternative means might be less burdensome to small business.

By EPA and PEI guidance, this method is the accepted method for decommissioning Stage II systems. There are no known less burdensome, less intrusive, or less costly alternative methods.

(5) A comparison of the proposed rule with any federal or state counterparts.

The changes proposed will match the State rule with the Federal rule. Stage II requirements are not part of the Federal rule and so changes in that portion to decommission Stage II are to properly discontinue Stage II system usage.

(6) Analysis of the effect of the possible exemption of small businesses from all or any part of the requirements contained in the proposed rule.

No exemptions are proposed for small businesses from Stage II decommissioning. A time line of 3 years to achieve compliance is given and the cost savings to businesses in deferred maintenance once Stage II is decommissioned will offset the up-front costs to decommission Stage II systems.

Impact on Local Governments

Pursuant to T.C.A. §§ 4-5-220 and 4-5-228 "any rule proposed to be promulgated shall state in a simple declarative sentence, without additional comments on the merits of the policy of the rules or regulation, whether the rule or regulation may have a projected impact on local governments." (See Public Chapter Number 1070 (http://state.tn.us/sos/acts/106/pub/pc1070.pdf) of the 2010 Session of the General Assembly)

The Department believes that proposed amendments will have a projected financial impact on local governments.

Additional Information Required by Joint Government Operations Committee

All agencies, upon filing a rule, must also submit the following pursuant to T.C.A. § 4-5-226(i)(1).

(A) A brief summary of the rule and a description of all relevant changes in previous regulations effectuated by such rule;

The amended rule allows gasoline dispensing facilities in Davidson, Rutherford, Sumner, Williamson, and Wilson Counties to remove Stage II vapor recovery systems beginning on the effective date of the rule. The amended rule requires the removal of all existing Stage II vapor recovery systems no later than three years after the effective date of the rule. The amended rule also updates Tennessee's Stage I vapor recovery requirements by adopting the equivalent Federal regulations by reference.

(B) A citation to and brief description of any federal law or regulation or any state law or regulation mandating promulgation of such rule or establishing guidelines relevant thereto;

No Federal or State law mandates either change (Stage I or Stage II). In a 2012 Federal Register notice (77 FR 28772), the U.S. EPA determined that onboard vapor recovery technology is in widespread use throughout the motor vehicle fleet for purposes of controlling motor vehicle refueling emissions. Based on this determination, the Clean Air Act allows States to remove Stage II requirements if certain criteria are met. This rulemaking is being adopted under the authority of T.C.A. §§ 68-201-101 et seq.

(C) Identification of persons, organizations, corporations or governmental entities most directly affected by this rule, and whether those persons, organizations, corporations or governmental entities urge adoption or rejection of this rule;

This amendment affects gasoline dispensing facilities in Tennessee.

(D) Identification of any opinions of the attorney general and reporter or any judicial ruling that directly relates to the rule;

The Air Pollution Control Board is not aware of any opinions that directly relate to the rulemaking.

(E) An estimate of the probable increase or decrease in state and local government revenues and expenditures, if any, resulting from the promulgation of this rule, and assumptions and reasoning upon which the estimate is based. An agency shall not state that the fiscal impact is minimal if the fiscal impact is more than two percent (2%) of the agency's annual budget or five hundred thousand dollars ($500,000), whichever is less;

No change in state and local government revenues and expenditures is expected to result from this amendment.

(F) Identification of the appropriate agency representative or representatives, possessing substantial knowledge and understanding of the rule;

Travis Blake
Division of Air Pollution Control
William R. Snodgrass Tennessee Tower
312 Rosa L. Parks Avenue, 15th Floor
Nashville, Tennessee 37243
travis.blake@tn.gov

(G) Identification of the appropriate agency representative or representatives who will explain the rule at a scheduled meeting of the committees;

Emily Urban
Assistant General Counsel
Office of General Counsel

(H) Office address, telephone number, and email address of the agency representative or representatives who will explain the rule at a scheduled meeting of the committees; and

Office of General Counsel
Tennessee Department of Environment and Conservation
William R. Snodgrass Tennessee Tower
312 Rosa L. Parks Avenue, 2nd Floor
Nashville, Tennessee 37243
(615) 532-8685
Emily.Urban@tn.gov

(l) Any additional information relevant to the rule proposed for continuation that the committee requests.

The Tennessee Air Pollution Control Board is not aware of any requests.

Attachment 2

Final Rule 1200-03-18-.24
(redline/strikeout version)

Department of State
Division of Publications
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Sequence Number: _____
Rule ID(s): _____
File Date: _____
Effective Date: _____

Rulemaking Hearing Rule(s) Filing Form

Rulemaking Hearing Rules are rules filed after and as a result of a rulemaking hearing (Tenn. Code Ann. § 4-5-205).

Pursuant to Tenn. Code Ann. § 4-5-229, any new fee or fee increase promulgated by state agency rule shall take effect on July 1, following the expiration of the ninety (90) day period as provided in § 4-5-207. This section shall not apply to rules that implement new fees or fee increases that are promulgated as emergency rules pursuant to § 4-5-208(a) and to subsequent rules that make permanent such emergency rules, as amended during the rulemaking process. In addition, this section shall not apply to state agencies that did not, during the preceding two (2) fiscal years, collect fees in an amount sufficient to pay the cost of operating the board, commission or entity in accordance with § 4-29-121(b).

Agency/Board/Commission:	Environment and Conservation
Division:	Air Pollution Control
Contact Person:	Travis Blake
Address:	William R. Snodgrass Tennessee Tower 312 Rosa L. Parks Avenue, 15th Floor Nashville, TN
Zip:	37243
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Revision Type (check all that apply):

X Amendment
___ New
___ Repeal

Rule(s) Revised (**ALL** chapters and rules contained in filing must be listed here. If needed, copy and paste additional tables to accommodate multiple chapters. Please enter only **ONE** Rule Number/Rule Title per row)

Chapter Number	**Chapter Title**
1200-03-18	Volatile Organic Compounds
Rule Number	**Rule Title**
1200-03-18-.24	Gasoline Dispensing Facilities – Stage I and Stage II Vapor Recovery

(Place substance of rules and other info here. Statutory authority must be given for each rule change. For information on formatting rules go to http://state.tn.us/sos/rules/1360/1360.htm)

Chapter 1200-03-18
Volatile Organic Compounds

Amendment

The Table of Contents for Chapter 1200-03-18 Volatile Organic Compounds is amended by changing the title of Rule 1200-03-18-.24 from "Gasoline Dispensing Facilities - Stage I and Stage II Vapor Recovery" to "Gasoline Dispensing Facilities."

Authority: T.C.A. §§ 68-201-101 et seq. and 4-5-201 et seq.

Rule 1200-03-18-.24 Gasoline Dispensing Facilities - Stage I and Stage II Vapor Recovery is amended by deleting it in its entirety and substituting instead the following:

1200-03-18-.24 Gasoline Dispensing Facilities ~~- Stage I and Stage II Vapor Recovery~~

~~(1) Applicability and exemptions~~

~~(a) Applicability of this rule is as follows:~~

~~1. This rule applies to any of the following in Anderson, Blount, Carter, Cheatham, Davidson, Dickson, Fayette, Hamilton, Hawkins, Haywood, Jefferson, Knox, Loudon, Marion, Meigs, Montgomery, Putnam, Robertson, Rutherford, Sevier, Shelby, Sullivan, Sumner, Tipton, Unicoi, Union, Washington, Williamson, or Wilson County:~~

~~(i) To any gasoline dispensing facility and the appurtenant equipment necessary to the gasoline dispensing facility; and~~

~~(ii) To any gasoline tank truck that transfers gasoline to storage vessels at such facilities.~~

~~2. Any gasoline dispensing facility located in one of the counties specified in Part (1)(a)1 of this rule that exceeds the applicability threshold specified in Parts (1)(b)2 or (1)(b)3 of this rule shall be subject to all of the respective provisions of this rule for facilities exceeding the applicability threshold and shall remain subject to these provisions even if its throughput later falls below the threshold. The owner or operator shall inform the Technical Secretary within 30 days following the exceedance, as specified in Part (5)(a)3 of this rule.~~

~~(b) Exemptions from this rule are as follows:~~

~~1. With respect to requirements concerning transfers from gasoline tank trucks to gasoline storage vessels at gasoline dispensing facilities, the following are subject only to Part (3)(a)1 of this rule:~~

~~(i) Any transfer made to a gasoline dispensing facility storage tank that is equipped with a floating roof or an approved equivalent, this approval being a revision to the State Implementation Plan;~~

~~(ii) Any stationary gasoline storage container with a capacity that is less than 2,080 liters (L) (550 gallons [gal]) that is used exclusively for the fueling of implements of husbandry;~~

~~(iii) Any stationary storage tank with a capacity of less than 7,600 L (2,000 gal) that was constructed prior to January 1, 1979; and~~

(iv) Any stationary storage tank with a capacity of less than 950 L (250 gal) that was constructed after December 31, 1978.

2. Any gasoline dispensing facility which dispenses less than 10,000 gallons of gasoline per month is subject only to the provisions of Parts (3)(a)1 and (5)(b)2 of this rule.

3. The requirements of Subparagraph (3)(c) of this rule do not apply to any gasoline dispensing facility which satisfies any of the following:

(i) Is in a county other than Davidson, Rutherford, Sumner, Williamson, or Wilson County;

(ii) Dispenses less than 10,000 gallons of gasoline per month;

(iii) Dispenses less than 50,000 gallons of gasoline per month and is owned by an independent small business marketer of gasoline; or

(iv) Dispenses gasoline for only fueling aircraft, marine vessels, or, at an automobile or light-duty truck assembly plant, motor vehicles that are fitted with an onboard vapor recovery system.

4. The requirements of this rule do not apply to any storage tank and associated equipment used solely for the storage and dispensing of E-85.

(2) For the purpose of this rule, the following definitions apply:

(a) "Independent small business marketer of gasoline" means a person engaged in the marketing of gasoline who would be required to pay for procurement and installation of vapor recovery equipment, unless such person satisfies either of the following:

1. With respect to refining:

(i) Is a refiner; or

(ii) Controls, is controlled by, or is under common control with, a refiner; or

(iii) Is otherwise directly or indirectly affiliated with a refiner or with a person who controls, is controlled by, or is under a common control with a refiner (unless the sole affiliation referred to herein is by means of a supply contract or an agreement or contract to use a trademark, trade name, service mark, or other identifying symbol or name owned by such refiner or any such person); or

2. Receives less than 50 percent of his annual income from refining or marketing of gasoline.

For the purpose of this definition, the term "refiner" shall not include any refiner whose total refinery capacity (including the refinery capacity of any person who controls, is controlled by, or is under common control with, such refiner) does not exceed 65,000 barrels per day. For purposes of this definition, "control" of a corporation means ownership of more than 50 percent of its stock. Verification of satisfaction of criteria specified in this definition shall be by notarized certification to the Technical Secretary, unless additional verification is requested by the Technical Secretary, in which case this additional verification shall be furnished to the Technical Secretary immediately.

(b) "Vacuum assist system" means the gasoline vapor recovery system that employs a vacuum generating device to effect transfer of gasoline vapor displaced in fueling a vehicle tank to a gasoline storage tank, vapor storage tank, or vapor processing unit.

(c) "Motor vehicle" means any self-propelled vehicle used to carry people or property on a street or highway.

(d) "Storage tank or storage vessel" means any stationary tank, reservoir or container used for the storage of a volatile organic liquid.

(e) "Volatile organic liquid" means any substance which is liquid at storage conditions and which contains volatile organic compounds.

(3) Standards as follow apply:

(a) Standards (Stage I Vapor Recovery) for Gasoline Storage Vessels - The owner or operator of each gasoline dispensing facility subject to this rule shall comply with the following requirements:

1. All gasoline storage vessels at gasoline dispensing facilities shall be loaded by submerged fill;

2. All vapor lines on the storage vessel shall be equipped with closures that automatically seal upon disconnect;

3. All gasoline storage vessels at gasoline dispensing facilities shall be served by a vapor recovery system approved by the Technical Secretary, or of a type certified by the California Air Resources Board, and designed, installed, and maintained to recover gasoline vapors displaced during transfer of gasoline from a tank truck to a storage tank;

Stage I gasoline vapor recovery systems used for this purpose shall be properly certified under the CARB enhanced vapor recovery (EVR) certification procedures effective on or after April 1, 2001, or shall be listed under the following pre-EVR CARB Executive Orders; mixing of components certified under separate CARB certification procedures will not be allowed.

Number	(Pre-EVR) Vapor Recovery Certification Phase I (Stage I) Executive Orders Description	Date
G-70-97-A	Stage I Vapor Recovery Systems for Underground Gasoline Tanks at Service Stations	12/9/85
G-70-102-A	Certification of a Phase I Vapor Recovery System for Aboveground Storage Tanks with less than 40,000 Gallons Capacity for Gasoline or Gasoline/Methanol Blended Fuels	5/25/93

4. If a gauging well separate from the fill tube is used for manual measurement, it shall be provided with a submerged drop tube that extends to within 150 mm (5.9 in) of the gasoline storage vessel bottom; and

5. Liquid fill connections for all systems shall be equipped with vapor-tight caps.

(b) Standards (Stage I Vapor Recovery) for Gasoline Transfers from Tank Trucks to Storage Vessels - The owner or operator of a gasoline tank truck shall not unload gasoline to a gasoline storage vessel subject to vapor-tightness requirements during unloading unless the following conditions are met:

1. All hoses, adaptors, and couplers in the vapor balance system are properly connected;

2. All vapor return hoses, couplers, and adapters used in the gasoline delivery are vapor-tight;

3. All vapor return equipment is compatible with the vapor balance equipment installed on the gasoline dispensing facility storage vessel;

4. All hatches on the gasoline tank truck are kept closed and securely fastened; and

5. The filling of storage vessels at gasoline dispensing facilities is limited to unloading by vapor-tight gasoline tank trucks.

(c) Standards (Stage II Vapor Recovery) for Gasoline Storage Vessels and Dispensing Equipment - The owner or operator of each gasoline dispensing facility subject to this rule shall comply with the following requirements:

1. All gasoline dispensing shall be by equipment served by a vapor recovery system approved by the Technical Secretary, certified by the California Air Resources Board, and designed, installed, operated, and maintained to recover gasoline vapors displaced during dispensing to motor vehicle fuel tanks, and accessible for inspection and testing;

2. The vapor recovery system shall include for any dispenser and system the following:

(i) Vapor-tight coaxial hose to conduct vapors captured during dispensing, except on new vehicle fueling lines at motor vehicle assembly plants where vapor-tight dual hose on vacuum assist systems may be employed in lieu of vapor-tight coaxial hose;

(ii) For balance systems:

(I) Installation of piping between the dispenser and the vapor collection tank which precludes liquid blockage in the piping; and

(II) No device which inhibits immediate testing for dynamic backpressure;

(iii) For vacuum assist systems, sufficient vacuum to prevent escape of gasoline vapors during dispensing;

(iv) Vapor-tight piping, fittings, caps, couplers, and adapters; and

(v) Maintenance of vapor tightness throughout the vapor recovery system, except during facility storage tank loading, gauging, and sampling and during maintenance and testing necessitating disruption in the integrity of the system.

3. Use of any aftermarket or rebuilt parts is restricted to parts approved by the California Air Resources Board.

4. Gasoline shall not be dispensed from a dispensing unit served by or permitted to be served by a component which does not satisfy the following:

(i) Each component required for operation of the system is in place and, to the extent it can be confirmed by sensory inspection, is unimpaired and operational;

(ii) Each nozzle boot is not torn in either of the following manners:

(I) Triangular - shaped or similar tear 1/2 inch or more to a side, or hole 1/2 inch or more in length; or

(II) Slit 1 inch or more in length.

(iii) Each faceplate or flexible cone is not damaged in the following manner:

(I) For balance nozzles and nozzles for aspirator and eductor assist type systems, damage such that the capability to achieve a seal with a fillpipe interface is diminished for an accumulated total of 1/4 of the circumference of the faceplate; or

(II) For nozzles for vacuum assist systems, more than 1/4 of the flexible cone is missing;

(iv) Each nozzle shutoff mechanism is operational;

(v) Each vacuum producing unit is operational;

(vi) Each vapor processing unit is operational;

(vii) Each fitting, cap, coupler, and adapter is vapor-tight; and

(viii) Each pressure/vacuum relief valve, vapor check valve, and dry break is operational.

5. The owner or operator shall conspicuously display fueling instructions and information in the gasoline dispensing area. These instructions and this information shall describe to customers clearly the proper procedure to be used for fueling vehicles from the dispenser. These instructions and this information shall include instruction about the proper method of reporting system defects first to facility management, and, then if defects are not corrected, to the Technical Secretary. The notice of the method of reporting to the Technical Secretary shall be displayed no earlier than 3 months after and no later than 6 months after the display of the other instructions and information listed above.

(4) Test methods as follow apply:

(a) Unless otherwise specified in this rule, the test method found in Rule .85 of this chapter to determine compliance with the vapor tight requirements of Paragraph (3) of this rule for lines, piping, caps, couplers, adapters, and fittings;

(b) The test methods found in Appendix J, Technical Guidance - Stage II Vapor Recovery Systems for Control of Vehicle Refueling Emissions at Gasoline Dispensing Facilities, Volume II, EPA - 450/3-91-022b (November 1991), to determine compliance with applicable requirements specified in Subparagraph (3)(c) of this rule; and/or

(c) Other methods necessary for demonstration of compliance approved by the Technical Secretary and the EPA.

(5) Notification, Recordkeeping and Reporting requirements

(a) Notification requirements apply as follows:

1. Initial Compliance Certifications - The owner or operator of any facility containing sources subject to this rule shall comply with the requirements in Paragraph 1200-03-18-.04(1) of this chapter, except that for gasoline dispensing facilities in Anderson, Blount, Carter, Cheatham, Dickson, Fayette, Hamilton, Hawkins, Haywood, Jefferson, Knox, Loudon, Marion, Meigs, Montgomery, Putnam, Robertson, Sevier, Shelby, Sullivan, Tipton, Unicoi, Union, and Washington Counties that are existing sources on December 29, 2004, the initial compliance certifications shall be submitted by May 1, 2006, instead of the date specified in Paragraph 1200-03-18-.04(1).

2. Testing Notification - The owner or operator of any facility containing sources subject to this rule shall provide the Technical Secretary written notice of any compliance demonstration testing. This notice shall be provided to the Technical Secretary such that the Technical Secretary is informed of the proposed testing at least 14 days before the proposed date of testing, thereby providing the Technical Secretary opportunity to observe the testing.

3. Threshold exceedance notification

(i) The owner or operator of any gasoline dispensing facility that, for the first time dispenses 10,000 gallons of gasoline or more in any calendar month and is no longer subject only to the provisions of Parts (3)(a)1 and (5)(b)2 of this rule, shall inform the Technical Secretary within 30 days.

(ii) The owner or operator of any gasoline dispensing facility that, for the first time dispenses 50,000 gallons of gasoline or more in any calendar month and is no longer exempt from the requirements of Subparagraph (3)(c) of this rule, shall inform the Technical Secretary within 30 days.

(b) Recordkeeping requirements apply as follows:

1. Each owner or operator subject to provisions of this rule shall comply with the recordkeeping requirements of this rule. Except as otherwise specified in this chapter, these records will be maintained for a minimum of 3 years and shall be made available to the Technical Secretary upon request.

2. If any exemption based upon the quantity of gasoline dispensed is claimed for a facility subject to this rule, the owner or operator of the facility shall maintain records showing the quantity of gasoline dispensed each month at the facility.

3. Required permits and required logs of maintenance shall be kept at the facility for which the permits are issued and the logs created.

(c) Reporting requirements apply as follows:

1. Excess Emissions Report - The owner or operator of any facility containing sources subject to this rule shall comply with the requirements in Paragraph 1200-03-18-.04(2) of this chapter.

(6) Compliance Demonstration Testing - The owner or operator of any facility containing sources subject to the provisions of Subparagraph (3)(c) of this rule shall:

(a) No later than the applicable date specified in Paragraph (7) of this rule, demonstrate compliance (for the complete system) with the provisions of Subparagraph (3)(c) of this rule, according to the applicable test methods specified in Paragraph (4) of this rule;

(b) Within 30 days following the occurrence of an incident which could reasonably be expected to have adversely affected the performance of the system, such as excavation near system piping or following replacement of the system, perform applicable testing to demonstrate compliance is maintained; and

(c) Within 5 years following any compliance demonstration for the complete system, demonstrate the system maintains compliance.

(7) Initial Compliance Dates

(a) For facilities subject to Subparagraph 1200-03-18-.24(3)(c) of this rule, and owned by an independent small business marketer of gasoline:

1. No less than one-third of these facilities shall have achieved compliance by June 21, 1994;

2. No less than two-thirds of these facilities shall have achieved compliance by June 21, 1995;

3. All facilities shall have achieved compliance by June 21, 1996; and

4. By June 21, 1994, the independent small business marketer shall designate in writing to the Technical Secretary which facilities will achieve compliance by the respective dates of Parts 1, 2, and 3 of this subparagraph.

(b) For facilities subject to Subparagraph 1200-03-18-.24(3)(c) of this rule, and not owned by an independent small business marketer of gasoline:

1. For which construction commenced after November 15, 1990, compliance shall be achieved by December 21, 1993;

2. Which dispense at least 100,000 gallons of gasoline per month, based on average monthly sales for the 2-year period before June 21, 1993, and for which construction commenced before November 15, 1990, compliance shall be achieved by June 21, 1994, and

3. Not accounted for in Parts 1 and 2 of this subparagraph, compliance shall be achieved by June 21, 1995.

(c) Gasoline dispensing facilities in Anderson, Blount, Carter, Cheatham, Dickson, Fayette, Hamilton, Hawkins, Haywood, Jefferson, Knox, Loudon, Marion, Meigs, Montgomery, Putnam, Robertson, Sevier, Sullivan, Tipton, Unicoi, Union, and Washington Counties that are existing sources on December 29, 2004 shall have achieved compliance by May 1, 2006.

(1) The provisions of 40 CFR 63 Subpart CCCCCC (National Emission Standards for Hazardous Air Pollutants for Source Category: Gasoline Dispensing Facilities) are hereby adopted by reference as published in the July 1, 2014 edition of the Code of Federal Regulations (CFR), except as provided in subparagraphs (a) through (c) of this paragraph.

(a) Any reference contained in 40 CFR 63 Subpart CCCCCC to the:

1. Administrator shall instead be a reference to the Technical Secretary;

2. Applicable EPA regional office for the State of Tennessee shall instead be a reference to the EPA Region IV office; and

3. Delegated State authority shall instead be a reference to the Technical Secretary.

(b) If your gasoline dispensing facility (GDF) has a monthly throughput of less than 10,000 gallons of gasoline, and is located in Anderson, Blount, Carter, Cheatham, Davidson, Dickson, Fayette, Hamilton, Hawkins, Haywood, Jefferson, Knox, Loudon, Marion, Meigs, Montgomery, Putnam, Robertson, Rutherford, Sevier, Shelby, Sullivan, Sumner, Tipton, Unicoi, Union, Washington, Williamson, or Wilson Counties, you must also comply with the requirements in 40 CFR § 63.11117(b) and (c).

(c) If your GDF has a monthly throughput of 10,000 gallons of gasoline or more and is located in Anderson, Blount, Carter, Cheatham, Davidson, Dickson, Fayette, Hamilton, Hawkins, Haywood, Jefferson, Knox, Loudon, Marion, Meigs, Montgomery, Putnam, Robertson, Rutherford, Sevier, Shelby, Sullivan, Sumner, Tipton, Unicoi, Union, Washington, Williamson, or Wilson Counties, you must comply with the requirements in 40 CFR § 63.11118.

(d) For any GDF claiming an exemption from subparagraph (b) or (c) of this paragraph based on monthly throughput, if the GDF exceeds the applicability thresholds specified in subparagraph (b) or (c) of this paragraph, it shall be subject to the requirements of subparagraph (b) or (c) of this paragraph even if its throughput later falls below the threshold. The owner or operator shall inform the Technical Secretary within 30 days following the exceedance.

(2) Stage II vapor recovery requirements for GDF in Davidson, Rutherford, Sumner, Williamson, and Wilson counties.

(a) This paragraph applies only to GDF located in Davidson, Rutherford, Sumner, Williamson, and

Wilson counties

(b) Any GDF with an existing Stage II vapor recovery system shall decommission and remove the system no later than three years after the effective date of this rule and no GDF shall install a Stage II vapor recovery system on or after such date.

(c) On and after the effective date of this rule, no GDF shall be required to install a Stage II vapor recovery system and a GDF may decommission and remove the GDF's existing Stage II vapor recovery system.

(d) Any GDF that decommissions and removes a Stage II vapor recovery system shall conduct the decommissioning and removal in accordance with Petroleum Equipment Institute (PEI) guidance, "Recommended Practices for Installation and Testing of Vapor Recovery Systems at Vehicle Fueling Sites, PEI/RP300-09" for removal, notification, and certification.

(e) Any GDF that has a Stage II vapor recovery system must comply with all applicable provisions of subparagraph (f) of this paragraph until the system is decommissioned and removed.

(f) Stage II vapor recovery.

1. Definitions.

(i) "Vacuum assist system" means the gasoline vapor recovery system that employs a vacuum generating device to effect transfer of gasoline vapor displaced in fueling a vehicle tank to a gasoline storage tank, vapor storage tank, or vapor processing unit.

(ii) "Motor vehicle" means any self-propelled vehicle used to carry people or property on a street or highway.

(iii) "Stage II vapor recovery system" means a system to recover gasoline vapors displaced during dispensing to motor vehicle fuel tanks.

(iv) "Storage tank or storage vessel" means any stationary tank, reservoir or container used for the storage of a volatile organic liquid.

(v) "Volatile organic liquid" means any substance which is liquid at storage conditions and which contains volatile organic compounds.

2. The owner or operator of each GDF subject to this subparagraph shall comply with the following requirements:

(i) The Stage II vapor recovery system must be approved by the Technical Secretary; certified by the California Air Resources Board; designed, installed, operated, and maintained to recover gasoline vapors displaced during dispensing to motor vehicle fuel tanks; and accessible for inspection and testing.

(ii) The Stage II vapor recovery system shall include for any dispenser and system the following:

(I) Vapor-tight coaxial hose to conduct vapors captured during dispensing, except on new vehicle fueling lines at motor vehicle assembly plants where vapor-tight dual hose on vacuum assist systems may be employed in lieu of vapor-tight coaxial hose;

(II) For balance systems:

I. Installation of piping between the dispenser and the vapor collection tank which precludes liquid blockage in the piping; and

II. No device which inhibits immediate testing for dynamic backpressure;

(III) For vacuum assist systems, sufficient vacuum to prevent escape of gasoline vapors during dispensing;

(IV) Vapor-tight piping, fittings, caps, couplers, and adapters; and

(V) Maintenance of vapor tightness throughout the vapor recovery system, except during facility storage tank loading, gauging, and sampling and during maintenance and testing necessitating disruption in the integrity of the system.

(iii) Use of any aftermarket or rebuilt parts is restricted to parts approved by the California Air Resources Board.

(iv) Gasoline shall not be dispensed from a dispensing unit served by or permitted to be served by a component which does not satisfy the following:

(I) Each component required for operation of the system is in place and, to the extent it can be confirmed by sensory inspection, is unimpaired and operational;

(II) Each nozzle boot is not torn in either of the following manners:

I. Triangular - shaped or similar tear 1/2 inch or more to a side, or hole 1/2 inch or more in length; or

II. Slit 1 inch or more in length.

(III) Each faceplate or flexible cone is not damaged in the following manner:

I. For balance nozzles and nozzles for aspirator and eductor assist type systems, damage such that the capability to achieve a seal with a fillpipe interface is diminished for an accumulated total of 1/4 of the circumference of the faceplate; or

II. For nozzles for vacuum assist systems, more than 1/4 of the flexible cone is missing;

(IV) Each nozzle shutoff mechanism is operational;

(V) Each vacuum producing unit is operational;

(VI) Each vapor processing unit is operational;

(VII) Each fitting, cap, coupler, and adapter is vapor-tight; and

(VIII) Each pressure/vacuum relief valve, vapor check valve, and dry break is operational.

(v) The owner or operator shall conspicuously display fueling instructions and information in the gasoline dispensing area. These instructions and this information shall describe to customers clearly the proper procedure to be used for fueling vehicles from the dispenser. These instructions and this information shall include instruction about the proper method of reporting system defects first to facility management, and, then if defects are not corrected, to the Technical Secretary. The notice of the method of reporting to the Technical Secretary shall be displayed no earlier than 3 months after and no later than 6 months after the display of the other instructions and information listed above.

3. Test methods as follow apply:

(i) The test methods found in Appendix J, Technical Guidance - Stage II Vapor Recovery Systems for Control of Vehicle Refueling Emissions at Gasoline Dispensing Facilities, Volume II, EPA - 450/3-91-022b (November 1991), to determine compliance with applicable requirements specified in part (2)(f)2 of this rule; or

(ii) Other methods necessary for demonstration of compliance approved by the Technical Secretary and the EPA.

4. Notification requirements – Each owner or operator of any facility containing sources subject to this subparagraph shall provide the Technical Secretary written notice of any compliance demonstration testing. This notice shall be provided to the Technical Secretary such that the Technical Secretary is informed of the proposed testing at least 14 days before the proposed date of testing, thereby providing the Technical Secretary opportunity to observe the testing.

5. Recordkeeping requirements -- Each owner or operator of any facility containing sources subject to this subparagraph shall, except as provided otherwise in this chapter, maintain required permits and required logs of maintenance at the facility for which the permits are issued and the logs created for a minimum of 3 years. Such records shall be made available to the Technical Secretary upon request.

6. Excess Emissions Report - The owner or operator of any facility containing sources subject to this subparagraph shall comply with the requirements in paragraph (2) of Rule 1200-03-18-.04.

7. Compliance Demonstration Testing - The owner or operator of any facility containing sources subject to the provisions of this subparagraph shall:

(i) Within 30 days following the occurrence of an incident which could reasonably be expected to have adversely affected the performance of the system, such as excavation near system piping or following replacement of the system, perform applicable testing to demonstrate compliance is maintained; and

(ii) Within 5 years following any compliance demonstration for the complete system, demonstrate the system maintains compliance.

Authority: T.C.A. §§ 68-201-101 et seq. and 4-5-201 et seq.

* If a roll-call vote was necessary, the vote by the Agency on these rulemaking hearing rules was as follows:

Board Member	Aye	No	Abstain	Absent	Signature (if required)
Dr. John Benitez Licensed Physician with experience in health effects of air pollutants					
Karen Cisler Environmental Interests					
Dr. Wayne T. Davis Conservation Interests					
Stephen Gossett Working for Industry with technical experience					
Dr. Shawn A. Hawkins Working in field related to Agriculture or Conservation					
Richard Holland Working for Industry with technical experience					
L. Shawn Lindsey Working in Municipal Government					
Dr. Tricia Metts Involved with Institution of Higher Learning on air pollution evaluation and control					
Chris Moore Working in management in Private Manufacturing					
John Roberts Small Generator of Air Pollution representing Automotive Interests					
Amy Spann Registered Professional Engineer					
Michelle Walker Commissioner's Designee, Dept. of Environment and Conservation					
Larry Waters County Mayor					
Jimmy West Commissioner's Designee, Dept. of Economic and Community Development					

I certify that this is an accurate and complete copy of rulemaking hearing rules, lawfully promulgated and adopted by the Air Pollution Control Board on 11/12/2015, and is in compliance with the provisions of T.C.A. § 4-5-222.

I further certify the following:

Notice of Rulemaking Hearing filed with the Department of State on: *07/02/15*

Rulemaking Hearing(s) Conducted on: (add more dates). *08/31/15*

Date: _____

Signature: _____

Name of Officer: Barry R. Stephens, P.E.

Title of Officer: Technical Secretary

Subscribed and sworn to before me on: _____

Notary Public Signature: _____

My commission expires on: _____

All rulemaking hearing rules provided for herein have been examined by the Attorney General and Reporter of the State of Tennessee and are approved as to legality pursuant to the provisions of the Administrative Procedures Act, Tennessee Code Annotated, Title 4, Chapter 5.

_____
Herbert H. Slatery III
Attorney General and Reporter

_____
Date

Department of State Use Only

Filed with the Department of State on: _____

Effective on: _____

_____
Tre Hargett
Secretary of State

Public Hearing Comments

One copy of a document containing responses to comments made at the public hearing must accompany the filing pursuant to T.C.A. § 4-5-222. Agencies shall include only their responses to public hearing comments, which can be summarized. No letters of inquiry from parties questioning the rule will be accepted. When no comments are received at the public hearing, the agency need only draft a memorandum stating such and include it with the Rulemaking Hearing Rule filing. Minutes of the meeting will not be accepted. Transcripts are not acceptable.

Comment: A commenter was concerned about the proposed compliance period beginning January 1, 2016 and the unlikelihood of the amendment become effective on or before that date.

Response: The Board agrees with the concerns of the commenter and has removed the specific date to begin the three year compliance period and replaced it with the phrase "on the effective date of the rule."

Comment: A commenter asked if the amendment will subject any new locations to Stage I requirements.

Response: This amendment will not subject any new counties or locations to Stage I vapor recovery requirements. Currently, gasoline dispensing facilities (GDF) located in Anderson, Blount, Carter, Cheatham, Davidson, Dickson, Fayette, Hamilton, Hawkins, Haywood, Jefferson, Knox, Loudon, Marion, Meigs, Montgomery, Putnam, Robertson, Rutherford, Sevier, Shelby, Sullivan, Sumner, Tipton, Unicoi, Union, Washington, Williamson, or Wilson Counties with a monthly throughput of 10,000 gallons or more are required to comply with Tennessee's Stage I vapor recovery requirements. GDF located in these counties will remain subject to the Federal equivalent of Stage I vapor recovery (40 CFR §63.11118) if their monthly throughput is 10,000 gallons or more. The lower applicability in these counties is necessary to comply with the anti-backsliding requirements of § 110(l) of the Clean Air Act. However, the lower threshold does not affect any facilities that were not already subject to the existing State requirement.

For all other counties in Tennessee, 40 CFR 63 Subpart CCCCCC subjects GDF to the requirements of 40 CFR §63.11118 at a monthly throughput of 100,000 gallons or more. This applicability will not change.

Comment: As a part of the new rules requiring upgraded equipment or decommissioning of equipment, a commenter asked if there will be any permitting or fees associated with decommissioning of Stage II vapor recovery.

Response: There will be no permitting or fees associated with decommissioning of Stage II systems.

Comment: In regards to subparagraph (1)(b) of Rule 1200-03-18-.24, a commenter asked if there is a current requirement in the Tennessee rule for length of submerged fill. Does the department have an estimate of number of older stations that will not meet the new requirements and will it require new submerged fill? Does the department have a cost estimate for new submerged fill, including all installation costs?

Response: Currently, Rule 1200-03-18-.24(3)(a)1 requires that gasoline dispensing facilities located in the listed counties[1] and with less than 10,000 gallons/month of throughput shall load gasoline storage vessels by submerged fill and defines "submerged fill" as the method of filling a delivery vessel or storage vessel where product enters within 5.9 inches of the bottom of the vessel. Bottom filling of delivery and storage vessels is included in this definition.

The proposed rule would require gasoline dispensing facilities that are located in the listed counties and have less than 10,000 gallons/month of throughput to comply with 40 CFR § 63.11117(b) and (c). 40 CFR § 63.11117(b) requires facilities to load gasoline into storage tanks

1 Anderson, Blount, Carter, Cheatham, Davidson, Dickson, Fayette, Hamilton, Hawkins, Haywood, Jefferson, Knox, Loudon, Marion, Meigs, Montgomery, Putnam, Robertson, Rutherford, Sevier, Shelby, Sullivan, Sumner, Tipton, Unicoi, Union, Washington, Williamson, or Wilson County

utilizing submerged filling, as measured from the point in the opening of the submerged fill pipe that is the greatest distance from the bottom of the storage tank.

- Submerged fill pipes installed on or before November 9, 2006, must be no more than 12 inches from the bottom of the tank.

- Submerged fill pipes installed after November 9, 2006, must be no more than 6 inches from the bottom of the tank.

- Submerged fill pipes not meeting the specifications above are allowed if the owner or operator can demonstrate that the liquid level in the tank is always above the entire opening of the fill pipe. Documentation providing such demonstration must be made available for inspection by the Administrator's delegated representative during the course of a site visit.

The existing State requirement for submerged fill (5.9 inches from the bottom of the tank) is slightly more stringent than the Federal requirement (6 inches from the bottom of the tank), so there should be no additional costs associated to facilities complying with Rule 1200-03-18-.24(3)(a)1.

Comment: In regards to subparagraph (1)(c) of Rule 1200-03-18-.24, a commenters asked what the current requirement is for stations with a monthly throughput of 10,000 or more. Does the department have an estimate of how many stations do not meet the proposed standard and what the cost per station upgrade will be?

Response: Stations located in the listed counties (see footnote 1) with a monthly throughput of 10,000 gallons or more are required to comply with Tennessee's Stage I vapor recovery requirements, and we do not expect facilities to need upgrades if they are in compliance with the existing State requirement.

Comment: Regarding Stage II, a commenter asked if the state will allow partial decommissioning. For instance, allowing certain parts such as existing hoses, nozzles, breakaway valves and swivels (hanging hardware) and vapor pumps to be left in place.

Response: The Board is not proposing to allow partial decommissioning. GDFs would be required to decommission and remove the Stage II vapor recovery system in accordance with Petroleum Equipment Institute (PEI) guidance, "Recommended Practices for Installation and Testing of Vapor Recovery Systems at Vehicle Fueling Sites, PEI/RP300-09" for removal, notification, and certification. In general, the PEI guidance allows piping to be abandoned in place but requires replacement of hanging hardware.

Comment: As part of the new rules requiring upgraded equipment or decommissioning of equipment, a commenter asked if there will be a permit process involved which will be established later by the Technical Secretary.

Response: There will not be a permit process for upgrading/decommissioning of equipment.

Comment: As part of the new rules requiring upgraded equipment or decommissioning of equipment, a commenter asked if there will be any fees associated or anticipated.

Response: There will not be any fees associated with upgrading/decommissioning of equipment.

Comment: A commenter asked to be provided with a chart of differences between this proposed rule and the rules of the counties that have their own programs, i.e., Davidson, Hamilton, Knox and Shelby.

Response: A copy of Tennessee's "110(l)" demonstration was provided to the commenter as requested. The Department is required to submit the "110(l)" demonstration to EPA to show that the revised State requirements are at least as stringent as the Federal requirements. The "110(l)" demonstration includes a comparison of State and Federal requirements.

Knox and Shelby Counties have directly adopted the State regulation, and there is no difference between those two counties and the existing State requirements. Davidson County has some requirements for GDFs that are more stringent. Hamilton County's rules are worded differently, and a direct comparison is more difficult.

Comment: A commenter was concerned about the cost to businesses.

Response: An estimated cost to businesses has been prepared. Over time, the cost of decommissioning an existing Stage II system (varies, but up to $10,000) is offset by reduced maintenance and testing costs (~$3,000 per year).

Stage II Vapor Recovery Decommissioning Cost Estimates
April 24, 2015

Activity	Estimated Cost	Source
Estimated decommissioning cost for one single-hose dispenser	~$800	TDEC estimate based on Wisconsin vendor pricing (January 2013)
Estimated decommissioning cost for one multi-hose dispenser (3 hoses)	~$1,300	TDEC estimate based on Wisconsin vendor pricing (January 2013)
Estimated decommissioning cost for a facility with six multi-hose dispensers (3 hoses each)	~$5,500	TDEC estimate based on Wisconsin vendor pricing (January 2013)
Decommissioning cost estimated by Georgia EPD	$1,500 - $2,500	Georgia EPD
Decommissioning cost for example site with 6 single-hose, multiproduct dispensers with vacuum assist system and four tanks: 2 manifolded regular unleaded, 1 premium, and 1 diesel	$4,600 ($1,132 labor, $468 testing, $3,000 new hardware)	Georgia Tank and Environmental Contractors Association
Estimated decommissioning cost for one single-hose dispenser	~$600	TN Fuel and Convenience Store Association, Tri-Star Energy
Estimated decommissioning cost for one multi-hose dispenser	~$1,650	TN Fuel and Convenience Store Association, Tri-Star Energy
Estimated decommissioning cost for a facility with six multi-hose dispensers	~$10,000	TN Fuel and Convenience Store Association, Tri-Star Energy

Range of decommissioning costs:
One single-hose dispenser: $600 - $800
One multi-hose dispenser: $1,300 - $1,650
Six multi-hose dispensers: $4,600 - $10,000

Cost Estimates for Retaining Stage II Vapor Recovery
April 24, 2015

Activity	Estimated Cost	Source
Cost of installing Stage II vapor recovery equipment at new GDFs (includes USTs, associated piping, pumps and ancillary equipment)	$20,000 to $60,000	EPA[2]
Cost of installing Stage II vapor recovery equipment at new GDFs (includes USTs, associated piping, pumps and ancillary equipment)	$25,000	Georgia EPD[3]
Annual cost to maintain existing Stage II systems (average size GDF)	$3,000 per year	EPA
Maintenance and testing of Stage II systems	~$3,000 Annually	Georgia EPD stakeholder meeting, April 2013
Cost of additional Stage II dispensers at an existing facility	~$3,200	Georgia EPD stakeholder meeting, April 2013
Cost Stage II systems at a new facility	~$32,000	Georgia EPD stakeholder meeting, April 2013

2 U. S. EPA, *Guidance on Removing Stage II Gasoline Vapor Control Programs from State Implementation Plans and Assessing Comparable Measures*. August 7, 2012.

3 Georgia Department of Natural Resources, Environmental Protection Division, Air Protection Branch, *Draft Revision to the Georgia State Implementation Plan for the Removal of Georgia Rule 391-3-1-.02(zz) Gasoline Dispensing Facilities – Stage II*. September 25, 2014.

Regulatory Flexibility Addendum

Pursuant to T.C.A. §§ 4-5-401 through 4-5-404, prior to initiating the rule making process as described in T.C.A. § 4-5-202(a)(3) and T.C.A. § 4-5-202(a), all agencies shall conduct a review of whether a proposed rule or rule affects small businesses.

(1) The type or types of small business and an identification and estimate of the number of small businesses subject to the proposed rule that would bear the cost of, or directly benefit from the proposed rule.

The small businesses that would be affected by the proposed rule are primarily gasoline distributors and convenience store owners. Other types include auto dealerships, contractors, farms, hospitals, and truck/transportation businesses. The approximate number of small businesses that are affected by the changes to Stage II rules and potentially subject to decommissioning is 310. The approximate number of all businesses subject to the Stage II rules and potentially subject to decommissioning is 555. Facilities subject to Stage I rules and should already be in compliance are as follows: 2384 small businesses and 3223 total businesses (does not include government entities).

(2) The projected reporting, recordkeeping, and other administrative costs required for compliance with the proposed rule, including the type of professional skills necessary for preparation of the report or record.

The projected reporting, recordkeeping, and administrative costs required for compliance with Stage II decommissioning would be minimal. Potential costs could be associated with notification of decommissioning prior to decommissioning and submission of certification of decommissioning. The submission of certification of decommissioning may require the signature or copy of the decommissioning report by the professional that completes the decommissioning according to the Petroleum Equipment Institute (PEI) guidance, “Recommended Practices for Installation and Testing of Vapor Recovery Systems at Vehicle Fueling Sites, PEI/RP300-09”. Reporting, recordkeeping, and other administrative costs for compliance with Stage I requirements are more substantial, though most facilities have automatic recordkeeping tools that can be used to collect the necessary information. Facilities should already be in compliance with Stage I requirements and there should be no additional costs to businesses.

(3) A statement of the probable effect on impacted small businesses and consumers.

Probable effect on impacted small businesses and consumers is some downtime as the decommissioning process is conducted. The decommissioning process is not expected to be a lengthy procedure except in the event of a large number of dispensers needing to be decommissioned. Downtime is likely to be measured in hours or a few days at most. There would be an up-front cost to impacted businesses to conduct the decommissioning that would be offset by deferred maintenance costs to maintain the Stage II system. Facilities subject to only Stage I should already be in compliance and there should be no further impact to them.

(4) A description of any less burdensome, less intrusive or less costly alternative methods of achieving the purpose and objectives of the proposed rule that may exist, and to what extent the alternative means might be less burdensome to small business.

By EPA and PEI guidance, this method is the accepted method for decommissioning Stage II systems. There are no known less burdensome, less intrusive, or less costly alternative methods.

(5) A comparison of the proposed rule with any federal or state counterparts.

The changes proposed will match the State rule with the Federal rule. Stage II requirements are not part of the Federal rule and so changes in that portion to decommission Stage II are to properly discontinue Stage II system usage.

(6) Analysis of the effect of the possible exemption of small businesses from all or any part of the requirements contained in the proposed rule.

No exemptions are proposed for small businesses from Stage II decommissioning. A time line of 3 years to achieve compliance is given and the cost savings to businesses in deferred maintenance once Stage II is decommissioned will offset the up-front costs to decommission Stage II systems.

Impact on Local Governments

Pursuant to T.C.A. §§ 4-5-220 and 4-5-228 “any rule proposed to be promulgated shall state in a simple declarative sentence, without additional comments on the merits of the policy of the rules or regulation, whether the rule or regulation may have a projected impact on local governments.” (See Public Chapter Number 1070 (http://state.tn.us/sos/acts/106/pub/pc1070.pdf) of the 2010 Session of the General Assembly)

The Department believes that proposed amendments will have a projected financial impact on local governments.

Additional Information Required by Joint Government Operations Committee

All agencies, upon filing a rule, must also submit the following pursuant to T.C.A. § 4-5-226(i)(1).

(A) A brief summary of the rule and a description of all relevant changes in previous regulations effectuated by such rule;

The amended rule allows gasoline dispensing facilities in Davidson, Rutherford, Sumner, Williamson, and Wilson Counties to remove Stage II vapor recovery systems beginning on the effective date of the rule. The amended rule requires the removal of all existing Stage II vapor recovery systems no later than three years after the effective date of the rule. The amended rule also updates Tennessee's Stage I vapor recovery requirements by adopting the equivalent Federal regulations by reference.

(B) A citation to and brief description of any federal law or regulation or any state law or regulation mandating promulgation of such rule or establishing guidelines relevant thereto;

No Federal or State law mandates either change (Stage I or Stage II). In a 2012 Federal Register notice (77 FR 28772), the U.S. EPA determined that onboard vapor recovery technology is in widespread use throughout the motor vehicle fleet for purposes of controlling motor vehicle refueling emissions. Based on this determination, the Clean Air Act allows States to remove Stage II requirements if certain criteria are met. This rulemaking is being adopted under the authority of T.C.A. §§ 68-201-101 et seq.

(C) Identification of persons, organizations, corporations or governmental entities most directly affected by this rule, and whether those persons, organizations, corporations or governmental entities urge adoption or rejection of this rule;

This amendment affects gasoline dispensing facilities in Tennessee.

(D) Identification of any opinions of the attorney general and reporter or any judicial ruling that directly relates to the rule;

The Air Pollution Control Board is not aware of any opinions that directly relate to the rulemaking.

(E) An estimate of the probable increase or decrease in state and local government revenues and expenditures, if any, resulting from the promulgation of this rule, and assumptions and reasoning upon which the estimate is based. An agency shall not state that the fiscal impact is minimal if the fiscal impact is more than two percent (2%) of the agency's annual budget or five hundred thousand dollars ($500,000), whichever is less;

No change in state and local government revenues and expenditures is expected to result from this amendment.

(F) Identification of the appropriate agency representative or representatives, possessing substantial knowledge and understanding of the rule;

Travis Blake
Division of Air Pollution Control
William R. Snodgrass Tennessee Tower
312 Rosa L. Parks Avenue, 15th Floor
Nashville, Tennessee 37243
travis.blake@tn.gov

(G) Identification of the appropriate agency representative or representatives who will explain the rule at a scheduled meeting of the committees;

Emily Urban
Assistant General Counsel
Office of General Counsel

(H) Office address, telephone number, and email address of the agency representative or representatives who will explain the rule at a scheduled meeting of the committees; and

Office of General Counsel
Tennessee Department of Environment and Conservation
William R. Snodgrass Tennessee Tower
312 Rosa L. Parks Avenue, 2nd Floor
Nashville, Tennessee 37243
(615) 532-8685
Emily.Urban@tn.gov

(l) Any additional information relevant to the rule proposed for continuation that the committee requests.

The Tennessee Air Pollution Control Board is not aware of any requests.

Attachment 3

Board Order 15-008

STATE OF TENNESSEE
AIR POLLUTION CONTROL BOARD

IN THE MATTER OF:	)	
	)	
PROPOSED STATE IMPLEMENTATION PLAN	)	ORDER NO. 15-008
STAGE I AND STAGE II VAPOR RECOVERY	)	

BOARD ORDER

Tennessee Air Pollution Control Regulations (TAPCR) rule 1200-03-18-.24, *Gasoline Dispensing Facilities, Stage I and Stage II Vapor Recovery* regulates the emissions of Volatile Organic Compounds (VOCs) from the petroleum product storage and distribution network and includes requirements for Stage II vapor recovery. On August 7, 2012, EPA released guidance for States that wish to remove Stage II requirements from their SIP and presented the methodology and information needed to phase out an existing Stage II program.

The *Technical Support Document for the Removal of Stage II Vapor Recovery Requirements in Middle Tennessee* analyzes the emissions impact of eliminating Stage II requirements from the 5-county Middle Tennessee area, demonstrates that removal of Stage II controls will not adversely affect the air quality in the Middle Tennessee area, and satisfies all requirements for removal of control measures from a SIP.

Rule 1200-03-18-.24 also includes requirements for control of VOC emissions from filling of certain gasoline storage tanks (Stage I vapor recovery) in several Tennessee counties. EPA promulgated similar requirements for Stage I vapor recovery as 40 CFR 63 Subpart CCCCCC. To eliminate the overlap of State and Federal requirements, Tennessee proposes to adopt 40 CFR 63 Subpart CCCCCC by reference and remove the Stage I SIP requirements of TAPCR 1200-03-18-.24. Section 110(l) of the Clean Air Act (CAA) prohibits revision of a SIP that would interfere with attainment or maintenance of a NAAQS, reasonable further progress toward attainment of a NAAQS, or any other applicable requirement of the CAA. Since Stage I controls are part of Tennessee's SIP, the requirements of CAA §110(l) must be satisfied before changing the existing Stage I requirements. Tennessee has prepared a document that demonstrates compliance with the requirements of Clean Air Act §110(l).

The Tennessee Air Pollution Control Board finds that the proposed State Implementation Plan revision meets the requirements of the Clean Air Act, and the Board approves the submittal of the SIP to U. S. EPA for adoption into Tennessee's State Implementation Plan.

Approved on November 12, 2015, by the members of the Tennessee Air Pollution Control Board as follows:

Attachment 4

Technical Support Document for the Removal of Stage II Vapor Recovery Requirements in Middle Tennessee

Technical Support Document for the Removal of Stage II Vapor Recovery Requirements in Middle Tennessee

I. Background and Purpose

Tennessee Air Pollution Control Regulations (TAPCR) rule 1200-03-18-.24, *Gasoline Dispensing Facilities, Stage I and Stage II Vapor Recovery* regulates the emissions of Volatile Organic Compounds (VOCs) from the petroleum product storage and distribution network. This rule was submitted to EPA on July 6, 1993 and approved by EPA on February 9, 1995. Revisions to this rule were approved by EPA on April 14, 1997, and August 26, 2005.

TAPCR 1200-03-18-.24 includes requirements for control of VOC emissions from motor vehicle refueling in the 5-county Middle Tennessee area (Davidson, Rutherford, Sumner, Williamson, and Wilson Counties) using Stage II vapor recovery systems. Stage II systems capture displaced vapors from vehicle fuel tanks during refueling and return the vapors to the underground storage tanks at the gasoline dispensing facility. The Stage II requirements were promulgated in the late 1980s and were incorporated into Tennessee's State Implementation Plan (SIP) as part of the control strategies for the one-hour ozone National Ambient Air Quality Standard (NAAQS)[1]. Tennessee is proposing to remove the Stage II vapor recovery requirements from TAPCR 1200-03-18-.24[2].

Onboard Refueling Vapor Recovery (ORVR) is an alternative method of controlling the vapor displaced during motor vehicle refueling. The displaced vapors are captured before they exit the vehicle fill pipe and are stored in activated carbon canisters onboard the vehicle. When the vehicle's engine is started, the vapors are purged from the activated carbon into the engine where they are burned as fuel. EPA adopted ORVR requirements in 1994 pursuant to CAA §202(a)(6)[3]. ORVR has been phased in for new passenger vehicles beginning with model year 1998, and since 2001 for light-duty trucks and most heavy-duty gasoline-powered vehicles. ORVR equipment has been installed on nearly all (~99%) new gasoline-powered light-duty vehicles, light-duty trucks and heavy-duty vehicles since 2006[4,5].

Stage II and ORVR systems each use a vacuum system to draw captured VOC back to the underground storage tanks and the motor vehicle, respectively. When both Stage II and ORVR are in use during fueling, the two vacuum systems compete against each other[6], and the efficiency of both systems is

[1] CAA §182(b)(3) requires each State with Moderate ozone nonattainment areas to submit SIP revisions requiring owners or of operators certain gasoline dispensing systems to install and operate a system for gasoline vapor recovery of emissions from the fueling of motor vehicles.

[2] Tennessee is also proposing to revise the Stage I vapor recovery requirements in TAPCR 1200-03-18-.24. Changes to Stage I requirements are addressed in a separate document.

[3] Within 1 year after November 15, 1990, the Administrator shall, after consultation with the Secretary of Transportation regarding the safety of vehicle-based ("onboard") systems for the control of vehicle refueling emissions, promulgate standards under this section requiring that new light-duty vehicles manufactured beginning in the fourth model year after the model year in which the standards are promulgated and thereafter shall be equipped with such systems. The standards required under this paragraph shall apply to a percentage of each manufacturer's fleet of new light-duty vehicles beginning with the fourth model year after the model year in which the standards are promulgated…

[4] *Guidance on Removing State II Gasoline Vapor control Programs from State Implementation Plans and Assessing Comparable Measures.* USEPA. EPA-457/B-142-001. August 7, 2012.

[5] Currently, more than 75% of gasoline refueling nationwide occurs with ORVR-equipped vehicles.

[6] Essentially, the ORVR and Stage II systems are pulling the gasoline vapors in opposite directions.

reduced. Congress recognized that ORVR and Stage II were redundant technologies and provided EPA the authority to allow states to remove Stage II from SIPs after EPA finds that ORVR is "in widespread use."[7]

On May 9, 2012, the Administrator signed a notice of final rulemaking determining that onboard refueling vapor recovery (ORVR) systems are in widespread nationwide use for control of gasoline emissions during refueling of vehicles at gasoline dispensing facilities (GDFs)[8]. EPA's determination allows States to remove Stage II requirements from their SIPs if States demonstrate that use of ORVR controls in lieu of Stage II will not adversely affect air quality and satisfies all CAA requirements for removal of control measures from a SIP.

In the 5-county Middle Tennessee area, historical fleet data indicates that about 85% of the fleet will be equipped with ORVR in 2016. Tennessee's analysis, performed in accordance with EPA's guidance, demonstrates that continuation of Stage II will become a dis-benefit to the area after 2016, and Stage II systems should be decommissioned to minimize emissions from refueling. This approach will maintain the overall downward trend in VOC emission as older vehicles leave the fleet.

II. Anti-Backsliding Requirements

Section 110(l) of the Clean Air Act (CAA) prohibits revision of a SIP that would interfere with attainment or maintenance of a NAAQS, reasonable further progress toward attainment of a NAAQS, or any other applicable requirement of the CAA. Since Stage II controls are part of Tennessee's SIP, the requirements of CAA §110(l) must be satisfied before removing Stage II controls in the Middle Tennessee area.

This Technical Support Document (TSD) serves as the analysis of the emissions impact of eliminating Stage II requirements from the 5-county Middle Tennessee area. The TSD demonstrates the removal of Stage II controls will not adversely affect the air quality in the Middle Tennessee area and satisfies all CAA requirements for removal of control measures from a SIP. In fact, this document demonstrates that VOC emissions will *increase* due to the wider use of ORVR if Stage II controls are not decommissioned.

III. Demonstration

A. EPA Guidance

On August 7, 2012, EPA released guidance for States that wish to remove Stage II requirements from their SIP titled *Guidance on Removing Stage II Gasoline Vapor Control Programs from State Implementation Plans and Assessing Comparable Measures*[9]. EPA's guidance presents the methodology and information needed for an emissions analysis related to phasing out an existing Stage II program. To comply with CAA §110(l), the guidance recommends computing the incremental emission control from Stage II installations as ORVR technology is phased into the motor vehicle fleet. The guidance also presents a method to quantify the impact on area-wide VOC emissions inventory from incremental emissions that result from the removal of Stage II vapor recovery systems.

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[7] CAA §202(a)(6) states that the requirements of §182(b)(3) for Moderate ozone nonattainment areas shall not apply after promulgation of ORVR standards, and the Administrator may revise or waive Stage II requirements for Serious, Severe, or Extreme ozone nonattainment areas after the Administrator determines that onboard emissions control systems are in widespread use throughout the motor vehicle fleet.

[8] 77 FR 28772

[9] Unless specifically noted otherwise, all references herein to EPA guidance reference the August 7, 2012 document.

B. Input Parameters for the Equations in EPA's Guidance Document

The equations in the EPA guidance require area-specific values for the penetration of ORVR in the motor vehicle fleet and in-use efficiencies of ORVR and Stage II systems. Other factors include the proportion of gasoline dispensed by facilities equipped with Stage II controls, the projected gasoline consumption for the area, the time periods of interest, and the uncontrolled displacement refueling emission factor.

The values of the individual parameters for the Middle Tennessee area are:

1. Penetration of ORVR in the Motor Vehicle Fleet, VMT_{ORVR} and Q_{ORVR}

Q_{ORVR} represents the proportion of annual gallons of highway motor gasoline dispensed to ORVR-equipped vehicles. Table A-1 of the EPA guidance (**Appendix A**) shows nationwide values for the percentage of ORVR-equipped vehicles, the percentage of vehicle miles traveled by ORVR-equipped vehicles, and the percentage of gasoline dispensed into ORVR-equipped vehicles. As stated in section 3.3.3 of the EPA guidance, the nationwide values in Table A-1 may be adjusted to obtain area-specific values by comparing the area-specific fleet age to the national fleet age.

An area-specific vehicle age and fleet composition was developed for the 5-county Middle Tennessee area as follows:

1. The I/M program testing numbers for calendar years 2007-2012 were obtained (Appendix B, Table B-1).

2. The composition of the vehicle fleet (by passenger cars, passenger trucks, and light commercial vehicles) for Nashville/Davidson County in calendar year 2011 was obtained (Appendix B, Table B-2). This was the best fleet composition data available, and it was assumed that this would be representative of the 5-county fleet composition over the time period of the calculations.

3. The percentages of each vehicle category required to undergo I/M testing were estimated (Appendix B, Table B-3). Past analysis of Davidson County's I/M program, which requires testing of all gasoline-powered cars and trucks up to 10,500 lb GVWR, has shown these percentages to be reasonable.

4. The 1994 ORVR phase-in rule[10] set minimum percentages of new vehicles to be equipped with ORVR between 1998 and 2006 (Appendix B, Table B-4). For this analysis, "light duty trucks" were assumed to be equivalent to passenger trucks and "medium duty trucks" were assumed to be equivalent to light commercial trucks.

5. The data above were used to calculate the total fleet population and the fraction of vehicles equipped with ORVR. The total number of vehicles tested by model year (Table B-1) was multiplied by the percentages in Table B-2 to get the number of passenger cars, passenger trucks, and light commercial trucks in the fleet. These numbers of vehicles were then adjusted by the percentages undergoing I/M testing from Table B-3 to get estimates of the total vehicle populations by model year (Appendix B, Tables B-5, B-6, and B-7).

[10] 59 FR 16262, April 6, 1994

6. Finally, using the ORVR phase-in percentages from Table B-4, the total population of ORVR-equipped vehicles and the ORVR percentage of the gasoline-powered fleet for calendar years 2007-2012 were calculated (Appendix B, Table B-8).

Table B-8 shows that the calculated ORVR percentages for the 5-county Middle Tennessee area are very close to the values from the EPA guidance. These calculated percentages were used for calendar years 2007-2012. A regression equation was developed using the 2007-2012 values, assuming an endpoint of 92 percent for calendar year 2020[11], and the regression equation was used to calculate values for 2013-2019.

2. In-use control efficiency of ORVR, η_{ORVR}

η_{ORVR} represents the in-use control efficiency of ORVR systems. Section 3.3.3 of the EPA guidance recommends using 98% for this control efficiency.

3. In-use control efficiency of Stage II vapor recovery systems, η_{iuSII}

η_{iuSII} represents the in-use control efficiency of Stage II vapor recovery systems. Section 3.3.3 of the EPA guidance recommends using a value consistent with field test data and advises against relying on prior EPA guidance, new system certification efficiency, or state regulation claims regarding efficiency. Since Tennessee's inspection of Stage II-equipped installations does not include calculation of in-use efficiency, other test data must be used to establish the control efficiency.

The EPA guidance states that "typical" values of η_{iuSII} are 0.60-0.75. The San Diego Air Pollution Control District's *Performance of Balance Vapor Recovery Systems at Gasoline Dispensing Facilities*[12] studied balance vapor recovery systems in four air districts in California and used field tests and engineering calculations to estimate the in-use efficiency. This report concluded that "American vacuum assist and balance vapor recovery systems averaged about 75% overall, with balance systems having the worst performance with efficiencies ranging from 63 to 68%." The majority of the Stage II vapor recovery systems in the 5-county Middle Tennessee area are of the vacuum assist type and have a required testing once every 5 years. From discussions with EPA, the lower value was suggested to be used to give an in-use control efficiency of 60% ($\eta_{iuSII} = 0.60$).

4. Compatibility factor of vacuum-assisted Stage II vapor recovery systems with onboard ORVR systems, CF_i

This is an increase in UST vent pipe emissions over the normal breathing/emptying loss emissions. The compatibility factor may be calculated using either the VMT fraction of ORVR-equipped vehicles or the fraction of gasoline dispensed to ORVR-equipped vehicles[13]:

$$CF_i = (0.07645)(VMT_{ORVRi}) \qquad \textbf{Equation 1}$$

$$CF_i = (0.0777)(Q_{ORVRi}) \qquad \textbf{Equation 2}$$

For completeness, the compatibility factor was calculated using both VMT_{ORVRi} and Q_{ORVRi} (Appendix C). The calculations produce nearly identical results, with the second approach producing fractionally

[11] i. e., the same endpoint assumed in Table A-1 of the EPA guidance.
[12] Released May 2000.
[13] These equations were obtained from pages 11 and 12 of the EPA guidance.

lower values. To be more conservative, the CF used in these calculations was calculated with **Equation 2** (using Q_{ORVRi}).

5. Proportion of gasoline throughput covered by Stage II vapor recovery systems, Q_{SII} and by Stage II vapor recovery systems with vacuum assist, Q_{SIIva}

Q_{SII} represents the proportion of gasoline throughput dispensed by gasoline distribution facilities with Stage II vapor recovery systems, and Q_{SIIva} represents the proportion of gasoline throughput dispensed by facilities with vacuum-assisted Stage II vapor recovery systems.

The total gasoline throughput for the 5-county Middle Tennessee area was determined from 2011 annual throughput reports for Davidson County and from maximum permitted throughputs for the remaining 4 counties. The fractions of gasoline dispensed from stations equipped with Stage II and with vacuum-assisted Stage II were calculated from the throughputs (Appendix D).

6. Projected gasoline consumption for the area and time periods of interest, GC_i

GC_i represents the gasoline consumption for the 5-county Middle Tennessee area for the time periods used in this demonstration. The actual reported/permitted gasoline throughputs were used for 2011, and gasoline consumption for the remaining years (2010 through 2020) were calculated from the nationwide fuel usage [14] and a calculated growth factor (Appendix E, Table E-1). The growth factor was applied to the 2011 consumption to calculate the annual fuel usages. To estimates the 5-month ozone season fuel consumption, the annual numbers were multiplied by 5/12 (Appendix E, Table E-2).

7. Uncontrolled Displacement Refueling Emission Factor, EF

EF represents the uncontrolled displacement refueling emission factor. This emission factor depends on the Reid Vapor Pressure (RVP) of the fuel, the dispensed fuel temperature, and the difference between the tank fuel temperature and the dispensed fuel temperature. The 5-county Middle Tennessee area uses gasoline which meets the RVP requirements in Appendix F of this document. The RVP for motor vehicle gasoline sold in the 5-county Middle Tennessee area is restricted to a maximum of 9.0 psi for the month of May and 7.8 psi for the months of June through September. Thus, the average RVP is 8.04 psi for the 5-month ozone season (May-September).

T_d is the dispensed fuel temperature and is presented in Table A-2 of the EPA guidance (Appendix G). The mean temperature for the 5-county Middle Tennessee area (Region 2 from EPA's table) is 81° F annually and 86° F for the 5-month ozone season.

ΔT is the difference between the tank fuel temperature and the dispensed fuel temperature and is found in Table A-3 of the EPA guidance (Appendix H). For the annual average, the temperature difference is 4.0 °F. For the 5-month ozone season (May-September), the temperature difference is 7.5 °F. EF is calculated from the above parameters using the equation from section 3.5.1 of the EPA guidance (**Equation 3**):

$$EF(grams/gallon) = e^{[-1.2798-0.0049(\Delta T)+0.0203(Td)+0.1315(RVP)]} \qquad \textbf{Equation 3}$$

Using the above values for RVP, Td, and ΔT, the uncontrolled displacement refueling emission factor, EF, for the 5-county Middle Tennessee area is 4.4216 grams of VOC per gallon of fuel dispensed for the 5-month ozone season.

[14] AEO 2013, Early Release: http://www.eia.gov/oiaf/aeo/tablebrowser/#release=AEO2013ER&subject=0-AEO2013ER&table=11-AEO2013ER&region=0-0&cases=full2012-d020112c,early2013-d102312a

C. Section 110(l) Demonstration

This section demonstrates, pursuant to CAA §110(l), that the requested SIP revision will not interfere with any applicable requirement concerning attainment and reasonable further progress, or any other applicable requirement of the Federal Act.

§110(l) requirements may be met by calculating the incremental emission control[15] from Stage II systems as ORVR technology is phased in and demonstrating that any incremental emissions from the removal of Stage II systems will not interfere with attainment, maintenance, or progress toward attainment of any air quality standard. Section 3.3.1 of the EPA guidance recommends calculating the incremental emission control for Stage II systems using the following equation:

$$Increment_i = (Q_{SII})(1-Q_{ORVRi})(\eta_{iuSII})-(Q_{SIIva})(CF_i) \qquad \textbf{Equation 4}$$

Where:

- $Increment_i$ is the incremental emission control for Stage II systems for year I;
- Q_{SII} is the fraction of gasoline throughput covered by Stage II vapor recovery systems;
- Q_{ORVRi} is the fraction of annual gallons of highway motor gasoline dispensed to ORVR-equipped vehicles for year I;
- η_{iuSII} is the in-use Stage II control efficiency;
- Q_{SIIva} is the fraction of gasoline throughput covered by traditional vacuum assist Stage II vapor recovery systems; and
- CF_i is the compatibility factor for the increase in underground storage tank emissions over the normal breathing/emptying loss emissions when using vacuum assist Stage II vapor recovery systems for year i.

Table 1 shows the Increment for 2010 through 2020 calculated using **Equation 4:**

Table 1: Incremental Emissions Control for Stage II
In-use Stage II Efficiency (η_{iuSII}) = 0.60

End of:	Q_{SII}	Q_{ORVR}	η_{iuSII}	Q_{SIIva}	CF	Increment
2010	0.963	0.715	0.60	0.9465	0.0555	0.1123
2011	0.963	0.749	0.60	0.9465	0.0582	0.0899
2012	0.963	0.790	0.60	0.9465	0.0614	0.0635
2013	0.963	0.824	0.60	0.9465	0.0640	0.0414
2014	0.963	0.851	0.60	0.9465	0.0661	0.0237
2015	0.963	0.874	0.60	0.9465	0.0679	0.0086
2016	0.963	0.894	0.60	0.9465	0.0695	-0.0046
2017	0.963	0.910	0.60	0.9465	0.0707	-0.0152
2018	0.963	0.925	0.60	0.9465	0.0718	-0.0245
2019	0.963	0.936	0.60	0.9465	0.0727	-0.0317
2020	0.963	0.942	0.60	0.9465	0.0732	-0.0361

[15] The *incremental emission control*, or *increment*, is the amount of emission control that is gained from Stage II controls as ORVR technology is phased in. If the increment is a *positive value*, then there is a net emissions decrease resulting from Stage II controls. If the increment is a *negative value*, then the number of vehicles with ORVR is high enough that the competition between ORVR and Stage II controls results in a net emission *increase*.

The increment shows that the additional emissions control for Stage II over ORVR diminishes over time as ORVR becomes more prevalent in the motor vehicle fleet. In 2016 the increment becomes negative, which indicates that incompatibility between Stage II and ORVR will *increase* VOC emissions. Thus, in 2016, Stage II controls can be removed without causing any increase in refueling VOC emissions.

The increase or decrease in VOC emissions resulting from Stage II controls may be calculated using the equation presented in section 3.5 of the EPA guidance:

$$Tons_i = (Increment_i)(GC_i)(EF) \qquad \textbf{Equation 5}$$

Where:

- $Tons_i$ is the overall effect of removing Stage II (tons) for year I;
- $Increment_i$ is the incremental emissions gain from removal of Stage II systems for year I;
- GC_i is the projected gasoline consumption (gallons) for year I; and
- EF is the uncontrolled displacement refueling emission factor (grams/gallon).

Table 2 shows the calculated tons of VOC emissions for the 5-month ozone season using **Equation 5**. The overall increment identifies the annual area-wide emission control gain from Stage II installations at GDFs as ORVR technology phases in. Thus, it also indicates the emission reduction potential loss (in year l) from removing Stage II.

Table 2: 5-County Middle Tennessee Incremental VOC Emissions per Ozone Season

End of:	Increment (from Table 1)	GC Mid-TN 5-Month (gallons)	EF (grams/gallon)	VOC Emissions Reduction from Stage II Controls (tons/year)**	VOC Emissions Reduction from Stage II Controls (avg. tons/day)
2010	0.1123	391,033,685	4.4216	510.60	1.40
2011	0.0899	380,159,556		397.39	1.09
2012	0.0635	381,899,417		281.97	0.77
2013	0.0414	391,468,651		188.45	0.52
2014	0.0237	389,293,825		107.28	0.29
2015	0.0086	386,249,069		38.62	0.11
2016	-0.0046	383,204,313		-20.50	-0.06
2017	-0.0152	380,159,556		-67.19	-0.18
2018	-0.0245	374,939,974		-106.81	-0.29
2019	-0.0317	372,330,183		-137.24	-0.38
2020	-0.0361	368,850,462		-154.83	-0.42

Calculated with **Equation 5

Table 2 shows that removal of Stage II vapor recovery systems in the 5-county Middle Tennessee area starting in 2016 will result in a VOC emissions decrease, with emission reduction benefits increasing over time. Conversely, if Stage II requirements are kept in place, an increase in VOC emissions will occur beyond 2015, and it will become detrimental to air quality in the 5-county Middle Tennessee area to keep Stage II systems in operation.

D. Other Criteria Pollutants

The affected sources covered by Tennessee's Stage II vapor recovery requirements are sources of volatile organic compounds. Other criteria pollutants (carbon monoxide, sulfur dioxide, nitrogen dioxide, particulate matter, and lead) are not emitted by gasoline dispensing facilities and will not be affected by removal of Stage II controls.

IV. Decommissioning Schedule and Procedures

The proposed revisions to TAPCR 1200-03-18-.24 proposed the following schedule for GDF located in Davidson, Rutherford, Sumner, Williamson, and Wilson counties:

(a) Any GDF with an existing Stage II vapor recovery system shall decommission and remove the system no later than January 1, 2019 and no GDF shall install a Stage II vapor recovery system on or after such date.

(b) On and after January 1, 2016, until December 31, 2018, no GDF shall be required to install a Stage II vapor recovery system and a GDF may decommission and remove the GDF's existing Stage II vapor recovery system.

(c) Any GDF that decommissions and removes a Stage II vapor recovery system shall conduct the decommissioning and removal in accordance with Petroleum Equipment Institute (PEI) guidance, "Recommended Practices for Installation and Testing of Vapor Recovery Systems at Vehicle Fueling Sites, PEI/RP300-09" for removal, notification, and certification.

Because the final rule will not be State-effective on January 1, 2016, Tennessee has amended the final version to allow decommissioning to begin on the effective date of the rule, which should be in the first quarter of 2016. Affected facilities will be required to complete the decommissioning process no later than three years after the effective date of the rule. Tennessee is planning another rulemaking action to add specific dates, once the effective dates of the final rule are known.

V. Request for SIP Revision

Tennessee requests that EPA approve a SIP revision removing the Stage II vapor recovery requirements (TAPCR 1200-03-18-.24) from Tennessee's SIP. Tennessee requests this change because the preceding calculations demonstrate that VOC emissions will increase after 2015 if affected sources are required to continue the operation of existing Stage II systems or to install new systems.

VI. Conclusion.

This document demonstrates that penetration of ORVR systems in the motor vehicle fleet will continue to increase, but ORVR systems will eventually conflict with existing Stage II vapor recovery systems. Section III of this document demonstrates that no VOC emissions increases would result from Stage II removal, and there would be no impact on the maintenance of the 5-county Middle Tennessee area in attainment with the ozone NAAQS.

The requested SIP revision will not interfere with attainment or maintenance of a NAAQS, reasonable further progress toward attainment of a NAAQS, or any other applicable requirement of the Clean Air Act. Therefore, the requirements of section 110(l) of the CAA are satisfied for all years analyzed in the demonstration.

APPENDIX A

Table A-1 – Projected Penetration of ORVR in the National Gasoline Fueled Vehicle Fleet by Year, Based on MOVES 2010(a)

1	2	3	4
End of Calendar Year	**Vehicle Population Percentage**	**VMT Percentage**	**Gasoline Dispensed Percentage**
2006	42.6%	51.2%	49.2%
2007	48.4%	57.3%	55.5%
2008	53.3%	62.3%	60.5%
2009	57.7%	66.8%	64.8%
2010	62.4%	71.6%	69.5%
2011	67.1%	76.0%	73.9%
2012	71.4%	80.0%	77.7%
2013	75.3%	83.4%	81.0%
2014	78.7%	86.3%	84.0%
2015	81.8%	88.8%	86.5%
2016	84.5%	90.9%	88.6%
2017	86.8%	92.5%	90.3%
2018	88.8%	93.9%	91.9%
2019	90.5%	95.0%	93.2%
2020	92.0%	95.9%	94.3%

See EPA Memorandum "Updated data for ORVR Widespread Use Assessment" February 29, 2012, in docket (number EPA-HQ-OAR-2010-1076) addressing details on values in this table and providing more calendar years.

Note: In this table, the columns have the following meaning.
1. Calendar year that corresponds to the percentages in the row associated with the year.
2. Percentage of the gasoline-powered highway vehicle fleet that have ORVR.
3. Percentage of gasoline-fueled vehicle miles traveled (VMT) by vehicles equipped with ORVR.
4. Amount of gasoline dispensed into ORVR-equipped vehicles as a percentage of all gasoline dispensed to highway motor vehicles.

APPENDIX B

Table B-1: Davidson County I/M Program Testing Numbers 2007-2012						
Model Year	**Number of Vehicles Tested**					
	2007	**2008**	**2009**	**2010**	**2011**	**2012**
1975	171	135	126	103	77	71
1976	279	218	212	184	156	150
1977	419	333	307	254	220	196
1978	561	443	413	359	298	261
1979	650	559	496	416	343	293
1980	299	302	243	237	196	180
1981	416	345	311	267	226	200
1982	583	465	422	349	300	258
1983	931	772	659	539	490	425
1984	1,568	1,388	1170	996	810	675
1985	2,166	1,799	1538	1,273	1,128	989
1986	2,916	2,376	2083	1,845	1,531	1,290
1987	3,526	2,886	2435	2,092	1,738	1,475
1988	4,963	4,042	3375	2,852	2,380	2,044
1989	6,259	5,204	4332	3,604	3,068	2,606
1990	7,302	5,951	5076	4,277	3,527	2,951
1991	9,303	7,744	6447	5,375	4,471	3,810
1992	12,026	10,226	8631	7,408	6,180	5,197
1993	16,066	13,590	11567	9,819	8,239	7,157
1994	20,256	17,692	15398	13,475	11,631	10,071
1995	25,888	22,607	20023	17,545	15,279	13,353
1996	24,085	21,497	18911	16,837	14,634	13,028
1997	30,449	27,368	24712	22,287	20,003	17,880
1998	34,029	30,988	27885	25,453	23,056	20,952
1999	38,094	35,985	33119	30,366	27,868	25,746
2000	41,084	39,311	36853	34,441	31,851	30,198
2001	37,977	37,143	35137	33,350	31,197	29,594
2002	38,435	37,893	36733	35,507	34,016	32,632
2003	38,188	37,661	36780	36,124	35,285	34,409
2004	36,438	39,088	38221	38,008	37,598	37,295
2005	37,274	38,761	38000	38,230	38,401	38,638
2006	31,625	34,238	36249	36,858	37,166	37,890
2007	12,715	31,765	33493	38,011	37,992	38,848
2008	308	10,016	27098	31,004	34,409	34,689
2009	5	260	6501	19,117	20,060	23,106
2010	0	0	241	7,573	22,595	26,058
2011	0	0	0	259	7,609	25,826
2012	0	0	0	0	245	9,412
2013	0	0	0	0	0	284
Total	**517,254**	**521,051**	**515,197**	**516,694**	**516,273**	**530,137**

Table B-2: Davidson County 2011 Fleet Composition		
Vehicle Classification	**Number**	**Percentage**
Passenger Car	285,845	55.37%
Passenger Truck	178,052	34.49%
Light Commercial Truck	52,376	10.15%
Total:	516,273	100.00%

Table B-3: Davidson County I/M Testing Percentages	
Vehicle Classification	**Percentage**
Passenger Car	100%
Passenger Truck	98%
Light Commercial Truck	75%

Table B-4: ORVR Phase-in Percentages by Model Year (59 FR 16262, April 6, 1994)			
	Minimum ORVR Percentage		
Vehicle Classification	**40%**	**80%**	**100%**
Passenger Car	1998	1999	2000
Light-Duty Trucks*	2001	2002	2003
Medium-Duty Trucks**	2004	2005	2006
For comparison of Tables B-3 and B-4, assume that: Light-Duty Trucks = Passenger Trucks and Medium-Duty Trucks = Light Commercial Trucks			

Table B-5: Total Davidson County Passenger Cars, 2007-2012

MY*	2007	2008	2009	2010	2011	2012
1975	95	75	70	57	43	39
1976	154	121	117	102	86	83
1977	232	184	170	141	122	109
1978	311	245	229	199	165	145
1979	360	310	275	230	190	162
1980	166	167	135	131	109	100
1981	230	191	172	148	125	111
1982	323	257	234	193	166	143
1983	515	427	365	298	271	235
1984	868	768	648	551	448	374
1985	1,199	996	852	705	625	548
1986	1,615	1,316	1,153	1,022	848	714
1987	1,952	1,598	1,348	1,158	962	817
1988	2,748	2,238	1,869	1,579	1,318	1,132
1989	3,465	2,881	2,398	1,995	1,699	1,443
1990	4,043	3,295	2,810	2,368	1,953	1,634
1991	5,151	4,288	3,570	2,976	2,475	2,109
1992	6,658	5,662	4,779	4,102	3,422	2,877
1993	8,895	7,524	6,404	5,436	4,562	3,963
1994	11,215	9,796	8,525	7,461	6,440	5,576
1995	14,333	12,517	11,086	9,714	8,460	7,393
1996	13,335	11,902	10,470	9,322	8,102	7,213
1997	16,859	15,153	13,682	12,340	11,075	9,900
1998	18,841	17,157	15,439	14,093	12,765	11,600
1999	21,092	19,924	18,337	16,813	15,430	14,255
2000	22,747	21,765	20,404	19,069	17,635	16,720
2001	21,027	20,565	19,454	18,465	17,273	16,385
2002	21,280	20,980	20,338	19,659	18,834	18,067
2003	21,144	20,852	20,364	20,001	19,536	19,051
2004	20,175	21,642	21,162	21,044	20,817	20,649
2005	20,638	21,461	21,039	21,167	21,261	21,393
2006	17,510	18,957	20,070	20,407	20,578	20,979
2007	7,040	17,587	18,544	21,046	21,035	21,509
2008	171	5,546	15,003	17,166	19,051	19,206
2009	3	144	3,599	10,585	11,107	12,793
2010	0	0	133	4,193	12,510	14,428
2011	0	0	0	143	4,213	14,299
2012	0	0	0	0	136	5,211
2013	0	0	0	0	0	157
Total	**286,388**	**288,490**	**285,249**	**286,078**	**285,845**	**293,521**

Table B-6: Total Davidson County Passenger Trucks, 2007-2012

MY*	2007	2008	2009	2010	2011	2012
1975	60	48	44	36	27	25
1976	98	77	75	65	55	53
1977	147	117	108	89	77	69
1978	197	156	145	126	105	92
1979	229	197	175	146	121	103
1980	105	106	86	83	69	63
1981	146	121	109	94	80	70
1982	205	164	149	123	106	91
1983	328	272	232	190	172	150
1984	552	488	412	351	285	238
1985	762	633	541	448	397	348
1986	1,026	836	733	649	539	454
1987	1,241	1,016	857	736	612	519
1988	1,747	1,422	1,188	1,004	838	719
1989	2,203	1,831	1,525	1,268	1,080	917
1990	2,570	2,094	1,786	1,505	1,241	1,039
1991	3,274	2,725	2,269	1,892	1,573	1,341
1992	4,232	3,599	3,037	2,607	2,175	1,829
1993	5,654	4,783	4,071	3,455	2,899	2,519
1994	7,128	6,226	5,419	4,742	4,093	3,544
1995	9,110	7,956	7,046	6,174	5,377	4,699
1996	8,476	7,565	6,655	5,925	5,150	4,585
1997	10,716	9,631	8,697	7,843	7,039	6,292
1998	11,975	10,905	9,813	8,957	8,114	7,373
1999	13,406	12,664	11,655	10,686	9,807	9,060
2000	14,458	13,834	12,969	12,120	11,209	10,627
2001	13,365	13,071	12,365	11,736	10,979	10,415
2002	13,526	13,335	12,927	12,496	11,971	11,484
2003	13,439	13,254	12,944	12,713	12,417	12,109
2004	12,823	13,756	13,451	13,376	13,231	13,125
2005	13,117	13,641	13,373	13,454	13,514	13,597
2006	11,129	12,049	12,757	12,971	13,079	13,334
2007	4,475	11,179	11,787	13,377	13,370	13,671
2008	108	3,525	9,536	10,911	12,109	12,208
2009	2	91	2,288	6,728	7,059	8,131
2010	0	0	85	2,665	7,952	9,170
2011	0	0	0	91	2,678	9,089
2012	0	0	0	0	86	3,312
2013	0	0	0	0	0	100
Total	**182,031**	**183,367**	**181,307**	**181,834**	**181,685**	**186,564**

Table B-7: Total Davidson County Lt. Commercial Trucks, 2007-2012

MY*	2007	2008	2009	2010	2011	2012
1975	23	18	17	14	10	10
1976	38	29	29	25	21	20
1977	57	45	42	34	30	27
1978	76	60	56	49	40	35
1979	88	76	67	56	46	40
1980	40	41	33	32	27	24
1981	56	47	42	36	31	27
1982	79	63	57	47	41	35
1983	126	104	89	73	66	57
1984	212	188	158	135	110	91
1985	293	243	208	172	153	134
1986	394	321	282	250	207	174
1987	477	390	329	283	235	200
1988	671	547	457	386	322	276
1989	847	704	586	488	415	353
1990	988	805	687	579	477	399
1991	1,258	1,048	872	727	605	515
1992	1,627	1,383	1,167	1,002	836	703
1993	2,173	1,838	1,565	1,328	1,114	968
1994	2,740	2,393	2,083	1,823	1,573	1,362
1995	3,502	3,058	2,708	2,373	2,067	1,806
1996	3,258	2,908	2,558	2,278	1,980	1,762
1997	4,119	3,702	3,343	3,015	2,706	2,419
1998	4,603	4,192	3,772	3,443	3,119	2,834
1999	5,153	4,868	4,480	4,108	3,770	3,483
2000	5,557	5,318	4,985	4,659	4,308	4,085
2001	5,137	5,024	4,753	4,511	4,220	4,003
2002	5,199	5,126	4,969	4,803	4,601	4,414
2003	5,166	5,094	4,975	4,886	4,773	4,654
2004	4,929	5,287	5,170	5,141	5,086	5,045
2005	5,042	5,243	5,140	5,171	5,194	5,226
2006	4,278	4,631	4,903	4,986	5,027	5,125
2007	1,720	4,297	4,531	5,142	5,139	5,255
2008	42	1,355	3,665	4,194	4,654	4,692
2009	1	35	879	2,586	2,713	3,125
2010	0	0	33	1,024	3,056	3,525
2011	0	0	0	35	1,029	3,493
2012	0	0	0	0	33	1,273
2013					0	38
Total	**69,968**	**70,481**	**69,689**	**69,892**	**69,835**	**71,710**

Table B-8: ORVR Percentages for 2007-2020

Year	ORVR %*	VMT % / Veh Pop %	VMT %	VMT_{ORVR}	Q_{ORVR}
2007	49.2	1.18	58.2	0.582	0.572
2008	54.9	1.17	64.2	0.642	0.631
2009	59.2	1.16	68.6	0.686	0.674
2010	63.4	1.15	72.7	0.727	0.715
2011	67.3	1.13	76.2	0.762	0.749
2012	71.7	1.12	80.4	0.804	0.790
2013	75.7	1.11	83.8	0.838	0.824
2014	79.0	1.10	86.6	0.866	0.851
2015	81.9	1.09	88.9	0.889	0.874
2016	84.6	1.08	91.0	0.910	0.894
2017	86.9	1.07	92.7	0.927	0.910
2018	89.0	1.06	94.1	0.941	0.925
2019	90.7	1.05	95.2	0.952	0.936
2020	92.0	1.04	95.9	0.959	0.942

* ORVR Percentages for 2007-2012 were calculated from actual ORVR values for the 5-county middle Tennessee area.

The ORVR Percentage for 2020 is the value from the EPA Guidance

For 2013 through 2019, the ORVR% was calculated using a regression equation:

$ORVR\% = (-0.154)x^2 + (623.437)x - 630{,}869$, where x is equal to the year

VMT% / Veh. Pop % was calculated by dividing the values in Table A-1, Column 3 of the EPA Guidance by the values in Table A-1, Column 2

These ratios were used to calculate VMT %, VMT_{ORVR}, and Q_{ORVR}, using the equations from Table 2 of the EPA

Guidance

APPENDIX C

Table C-1
Calculation of Compatibility Factor

Year	$CF_{1st\ Way}$	$CF_{2nd\ Way}$
2007	0.0445	0.0445
2008	0.0491	0.0490
2009	0.0524	0.0524
2010	0.0556	0.0555
2011	0.0583	0.0582
2012	0.0614	0.0614
2013	0.0641	0.0640
2014	0.0662	0.0661
2015	0.0680	0.0679
2016	0.0696	0.0695
2017	0.0708	0.0707
2018	0.0719	0.0718
2019	0.0728	0.0727
2020	0.0733	0.0732

APPENDIX D

Total Stage I and Stage II Vacuum-Assisted Gasoline Throughputs, 2011

	Rutherford	Sumner	Williamson	Wilson	Total (4 County)	Total Yearly (4 County)	Davidson (yearly)	**Combined**
Number of Facilities (have facility ID)	147	97	84	70	398		379	**777**
Number with Stage II	117	63	63	55	298		335	**633**
Number with known type of Stage II	87	40	37	39	203		335	**538**
Number with Stage II Vacuum Assist	84	40	36	36	196		328	**524**
Throughput	18,566,563	11,382,633	12,027,256	8,236,708	50,213,160	602,557,920	309,825,015	**912,382,935**
Throughput with Stage II	17,619,129	10,765,633	11,179,144	7,919,802	47,483,708	569,804,496	308,778,947	**878,583,443**
% Throughput with Stage II	94.90%	94.58%	92.95%	96.15%	94.56%	94.56%	99.66%	**96.30%**
Throughput with Stage I only	947,434	617,000	848,112	316,906	2,729,452	32,753,424	1,046,068	**33,799,492**
% Throughput Stage I only	5.10%	5.42%	7.05%	3.85%	5.44%	5.44%	0.34%	**3.70%**
Throughput of known type of Stage II	11,119,002	7,333,280	7,060,539	4,939,230	30,452,051	365,424,612	308,778,947	**674,203,559**
Throughput with known Stage II Vacuum Assist	10,793,496	7,333,280	7,038,201	4,643,885	29,808,862	357,706,344	305,828,272	**663,534,616**
% of Throughput known to be Stage II Vacuum Assist	97.07%	100.00%	99.68%	94.02%	97.89%	97.89%	99.04%	**98.42%**
Throughput of Stage II Vacuum Assist	17,103,333	10,765,633	11,143,776	7,446,231	46,480,787	557,769,445	305,828,272	**863,597,717**
% of Throughput with Stage II Vacuum Assist	92.12%	94.58%	92.65%	90.40%	92.57%	92.57%	98.71%	**94.65%**
% Stage I facilities	20.41%	35.05%	25.00%	21.43%	25.13%		11.61%	**18.53%**

APPENDIX E

Table E-1: Calculation of Growth Factor in Gasoline Usage

Year	MMbbl/day	Growth Factor
2010	8.99	--
2011	8.74	-0.027808676
2012	8.78	0.004576659
2013	9.00	0.025056948
2014	8.95	-0.005555556
2015	8.88	-0.007821229
2016	8.81	-0.007882883
2017	8.74	-0.007945516
2018	8.62	-0.013729977
2019	8.56	-0.006960557
2020	8.48	-0.009345794

* Source of usage: AEO 2012, Early Release – Data for Motor Gasoline

Table E-2: Growth Factor Adjustments to 2011 5-County Middle TN Gasoline Consumption

	Usage (gallons)	
Year	Annual	5-month O_3 Season
2010	938,480,845	391,033,685
2011*	912,382,935	380,159,556
2012	916,558,601	381,899,417
2013	939,524,761	391,468,650
2014	934,305,179	389,293,824
2015	926,997,765	386,249,069
2016	919,690,350	383,204,313
2017	912,382,935	380,159,556
2018	899,855,938	374,939,974
2019	893,592,440	372,330,183
2020	885,241,109	368,850,462

* 2011 usage is based on actual reported/permitted throughputs. Other years are calculated from the growth factor

APPENDIX F

Gasoline RVP Requirements for the 5-County Middle Tennessee Area

Month	RVP
January, December	15.0
February, March, April, October, November	13.5
May	9.0
June, July, August, September	7.8

APPENDIX G

Table A-2 - Monthly Average Dispensed Liquid Temperature

Dispensed liquid temperature (°F)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Summer (Apr-Sep)	Winter (Oct-Mar)	Annual Average
National Average	51	54	54	58	69	76	82	81	76	70	62	54	74	58	66
Region 1	43	45	48	53	66	74	78	78	72	66	59	46	70	51	61
Region 2	69	74	73	80	84	87	90	91	78	85	83	73	85	76	81
Region 3	54	57	61	67	76	82	83	84	79	76	67	54	79	62	70
Region 4	50	51	41	47	63	74	88	85	83	75	63	52	74	56	65
Region 5	54	NA	NA	NA	72	77	83	83	79	74	67	58	79	63	72
Region 6	NA	48	49	53	59	63	NA	73	71	60	49	42	64	50	57

Regional Boundaries
Region 1: ME, VT, NH, MA, CT, RI, NY, NJ, PA, DE, MD,VA,WV,DC, KY, OH, IN, IL, MI, WI
Region 2: NC, SC, GA, FL, AL, MS, AR, LA, TN
Region 3: OK, TX, NM, AZ
Region 4: MN, IA, MO, ND, SD, NE, KS, MT, WY, CO
Region 5: CA, NV, UT
Region 6: WA, OR, ID
Source: McNally Michael and Dickerman J.C., "Summary and Analysis of Data from Gasoline Temperature Survey," conducted by API, Radian Corporation, May, 1976.

APPENDIX H

Table A-3 - Seasonal Variation In Temperature Difference Between Vehicle Fuel Tank and Dispensed Fuel

Temperature Difference

	Average Annual	Summer (Apr – Sep)	Winter (Oct – Mar)	5-Month Ozone Season (May – Sep)	2-Month Ozone Season (Jul – Aug)
National Average	4.4	8.8	-0.8	9.44	9.9
Region 1	5.7	10.7	-0.3	11.5	12.5
Region 2	4.0	6.8	0.9	7.5	8.2
Region 3	3.7	7.6	-0.4	7.1	7.0
Region 4	5.5	11.7	-2.4	12.1	13.3
Region 5	0.1	3.9	-4.4	5.1	3.2
Region 6	Use Region 4 data				

Regional Boundaries
Region 1: ME, VT, NH, MA, CT, RI, NY, NJ, PA, DE, MD,VA,WV,DC, KY, OH, IN, IL, MI, WI
Region 2: NC, SC, GA, FL, AL, MS, AR, LA, TN
Region 3: OK, TX, NM, AZ
Region 4: MN, IA, MO, ND, SD, NE, KS, MT, WY, CO
Region 5: CA, NV, UT
Region 6: WA, OR, ID

Source: Rothman, Dale and Johnson, Robert, Technical Report, “Refueling Emissions from Uncontrolled Vehicles,” EPA.OMS, EPA-AA-SDSB-85-6. June 1985.

Attachment 5

Clean Air Act §110(l) Demonstration for Changes to Tennessee's Stage I Vapor Recovery Requirements

Clean Air Act §110(l) Demonstration for Changes to Tennessee's Stage I Vapor Recovery Requirements

I. Background and Purpose

Tennessee Air Pollution Control Regulations (TAPCR) rule 1200-03-18-.24, *Gasoline Dispensing Facilities, Stage I and Stage II Vapor Recovery* regulates the emissions of Volatile Organic Compounds (VOCs) from the petroleum product storage and distribution network. This rule was submitted to EPA on July 6, 1993 and approved by EPA on February 9, 1995. Revisions to this rule were approved by EPA on April 14, 1997, and August 26, 2005.

TAPCR 1200-03-18-.24 includes requirements for control of VOC emissions from filling of certain gasoline storage tanks in several Tennessee counties using Stage I vapor recovery systems. EPA promulgated similar requirements for Stage I vapor recovery as 40 CFR 63 Subpart CCCCCC[1]. To eliminate the overlap of State and Federal requirements, Tennessee proposes to adopt 40 CFR 63 Subpart CCCCCC by reference and remove the Stage I SIP requirements of TAPCR 1200-03-18-.24.

Section 110(l) of the Clean Air Act (CAA) prohibits revision of a SIP that would interfere with attainment or maintenance of a NAAQS, reasonable further progress toward attainment of a NAAQS, or any other applicable requirement of the CAA. Since Stage I controls are part of Tennessee's SIP, the requirements of CAA §110(l) must be satisfied before changing the existing Stage I requirements.

This document demonstrates that Tennessee's proposed changes comply with the requirements of CAA §110(l), as follows:

1. Tennessee proposes to lower the applicability thresholds for certain sources subject to Federal Stage I requirements. Tennessee's revised State requirements will be as stringent as or more stringent than the comparable Federal requirements.

2. This document includes a comparison that demonstrates the equivalence of State and Federal Stage I requirements.

II. Applicability of Tennessee's Stage I Requirements and Federal Requirements

Tennessee's Stage I Vapor Recovery requirements apply as shown in Table 1. Within the listed counties, Tennessee's Stage I requirements apply to smaller facilities (based on monthly gasoline throughput) than the equivalent Federal requirements (Table 2) and are therefore more stringent than the Federal requirements. As a result Tennessee must: (1) demonstrate that adoption of the less stringent requirements will comply with CAA §110(l); or (2) adopt State requirements that implement the Federal rules at a lower applicability threshold. Tennessee has elected to adopt State requirements that implement the Federal rules at a lower applicability threshold.

[1] 73 FR 1945, Jan. 10, 2008

Table 1: Applicability of State Stage I Requirements		
Stage I applies in the Following Counties	**Stage I applies to:**	**Exceptions**
Blount, Carter, Cheatham, Davidson, Dickson, Fayette, Hamilton, Hawkins, Haywood, Jefferson, Knox, Loudon, Marion, Meigs, Montgomery, Putnam, Robertson, Rutherford, Sevier, Shelby, Sullivan, Sumner, Tipton, Unicoi, Union, Washington, Williamson, and Wilson	Any gasoline dispensing facility (GDF) and the appurtenant equipment necessary to the gasoline dispensing facility; and to any gasoline tank truck that transfers gasoline to storage vessels at such facilities.	The following are subject only to 1200-03-18-.24(3)(a)1 (gasoline storage vessels shall be loaded by submerged fill): 1. Any transfer made to a GDF storage tank equipped with a floating roof or an approved equivalent (SIP revision required) 2. Any stationary gasoline storage container with a capacity that is less than 2,080 L (550 gal) used exclusively for the fueling of implements of husbandry; 3. Any stationary storage tank with a capacity of less than 7,600 L (2,000 gal) constructed prior to January 1, 1979; and 4. Any stationary storage tank with a capacity of less than 950 L 250 gal constructed after December 31, 1978.
		Any GDF that dispenses less than 10,000 gallons of gasoline per month is subject only to the following: 1. 1200-03-18-.24(3)(a)1 (gasoline storage vessels shall be loaded by submerged fill); and 2. 1200-03-18-.24(5)(b)2 (if any exemption based upon the quantity of gasoline dispensed is claimed, the owner or operator shall maintain records showing the quantity of gasoline dispensed each month).

Table 2: Federal Requirements for GDF (40 CFR 63 Subpart CCCCCC)		
Affected Source	**Requirement**	**General Description of Requirement[2]**
Any GDF with a monthly throughput of less than 10,000 gallons of gasoline	Comply with §63.11116.	Do not allow gasoline to be handled in a manner that would result in vapor releases to the atmosphere for extended periods of time. Measures to be taken include, but are not limited to: (1) Minimize gasoline spills; (2) Clean up spills as expeditiously as practicable; (3) Cover all open gasoline containers and all gasoline storage tank fill-pipes with a gasketed seal when not in use; and (4) Minimize gasoline sent to open waste collection systems that collect and transport gasoline to reclamation and recycling devices, such as oil/water separators.
Any GDF with a monthly throughput of 10,000 gallons of gasoline or more	Comply with §63.11117.	Comply with §63.11116. Only load gasoline into storage tanks by utilizing submerged filling.
Any GDF with a monthly throughput of 100,000 gallons of gasoline or more	Comply with §63.11118.	Comply with §63.11116 and §63.11117. Comply with management practices in Table 1 of Subpart CCCCCC or operate a vapor balance system that meets the requirements of either §63.11118(b)(2)(i)(A) or (B). **§63.11118 contains the equivalent of Tennessee's Stage I vapor recovery requirements.**

Because the State requirement applies at a lower threshold (10,000 gallons per month), Tennessee proposes the following changes in applicability for all GDF located in Anderson, Blount, Carter, Cheatham, Davidson, Dickson, Fayette, Hamilton, Hawkins, Haywood, Jefferson, Knox, Loudon, Marion, Meigs, Montgomery, Putnam, Robertson, Rutherford, Sevier, Shelby, Sullivan, Sumner, Tipton, Unicoi, Union, Washington, Williamson, or Wilson Counties:

- A GDF with a monthly throughput of less than 10,000 gallons of gasoline must comply with the requirements in 40 CFR §§ 63.11116 and 63.11117(b) and (c).

- A GDF with a monthly throughput of 10,000 gallons of gasoline or more must comply with the requirements in 40 CFR § 63.11118.

III. Equivalence of Tennessee's Stage I Requirements and Federal Requirements

Table 2 demonstrates the equivalence of State and Federal requirements.

[2] A more detailed analysis of Federal requirements is included in Section III.

Table 2: Comparison of Tennessee Stage I and Federal Requirements				
State Rule (1200-03-18-.24)	**State Requirement**	**Equivalent Federal Rule**	**Requirement**	**Comments**
(1)(a)1.	This rule applies to any of the following in Anderson, Blount, Carter, Cheatham, Davidson, Dickson, Fayette, Hamilton, Hawkins, Haywood, Jefferson, Knox, Loudon, Marion, Meigs, Montgomery, Putnam, Robertson, Rutherford, Sevier, Shelby, Sullivan, Sumner, Tipton, Unicoi, Union, Washington, Williamson, or Wilson County: (i) To any gasoline dispensing facility and the appurtenant equipment necessary to the gasoline dispensing facility; and (ii) To any gasoline tank truck that transfers gasoline to storage vessels at such facilities.	See below	See below	The Federal rule applies Statewide. State-specific language applies to the counties indicated in this table.
(1)(a)2.	Any gasoline dispensing facility located in one of the counties specified in Part (1)(a)1 of this rule that exceeds the applicability threshold specified in Parts (1)(b)2 or (1)(b)3 of this rule shall be subject to all of the respective provisions of this rule for facilities exceeding the applicability threshold and shall remain subject to these provisions even if its throughput later falls below the threshold. The owner or operator shall inform the Technical Secretary within 30 days following the exceedance, as specified in Part (5)(a)3 of this rule.	See note	See note	The existing State rule is more stringent than the Federal rule, because certain requirements (e.g., submerged fill and Stage I vapor recovery) apply at a lower threshold within the listed counties. Proposed revisions to 1200-03-18-.24(1) will maintain the stringency of the State rule.
(1)(b)1.	With respect to requirements concerning transfers from gasoline tank trucks to gasoline storage vessels at gasoline dispensing facilities, the following are subject only to Part (3)(a)1 of this rule:	See below	See below	

Table 2: Comparison of Tennessee Stage I and Federal Requirements				
State Rule (1200-03-18-.24)	**State Requirement**	**Equivalent Federal Rule**	**Requirement**	**Comments**
(1)(b)1(i)	Any transfer made to a gasoline dispensing facility storage tank that is equipped with a floating roof or an approved equivalent, this approval being a revision to the State Implementation Plan;	§63.11118(c)(3)	The emission sources listed in paragraphs (c)(1) through (3) of this section are not required to comply with the control requirements in paragraph (b) of this section, but must comply with the requirements in §63.11117. (3) Gasoline storage tanks equipped with floating roofs, or the equivalent.	The Federal rule is as stringent as the existing State rule.
(1)(b)1(ii)	Any stationary gasoline storage container with a capacity that is less than 2,080 liters (550 gallons) that is used exclusively for the fueling of implements of husbandry;	§63.11117(c)	Gasoline storage tanks with a capacity of less than 250 gallons are not required to comply with the submerged fill requirements in paragraph (b) of this section, but must comply only with all of the requirements in §63.11116.	The Federal rule is more stringent (gasoline storage tanks < 250 exempt from the Federal submerged fill requirement per §63.11117(c)).
(1)(b)1(iii)	Any stationary storage tank with a capacity of less than 7,600 L (2,000 gal) that was constructed prior to January 1, 1979; and	§63.11117(c)	Gasoline storage tanks with a capacity of less than 250 gallons are not required to comply with the submerged fill requirements in paragraph (b) of this section, but must comply only with all of the requirements in §63.11116.	The Federal rule is more stringent (gasoline storage tanks < 250 exempt from the Federal submerged fill requirement per §63.11117(c)).
(1)(b)1(iv)	Any stationary storage tank with a capacity of less than 950 L (250 gal) that was constructed after December 31, 1978.	§63.11117(c)	Gasoline storage tanks with a capacity of less than 250 gallons are not required to comply with the submerged fill requirements in paragraph (b) of this section, but must comply only with all of the requirements in §63.11116.	The Federal rule is as stringent as the existing State rule.

Table 2: Comparison of Tennessee Stage I and Federal Requirements				
State Rule (1200-03-18-.24)	**State Requirement**	**Equivalent Federal Rule**	**Requirement**	**Comments**
(1)(b)2.	Any gasoline dispensing facility which dispenses less than 10,000 gallons of gasoline per month is subject only to the provisions of Parts (3)(a)1 and (5)(b)2 of this rule.	§63.11111(e)	An affected source shall, upon request by the Administrator, demonstrate that their monthly throughput is less than the 10,000-gallon or the 100,000-gallon threshold level, as applicable. For new or reconstructed affected sources, as specified in §63.11112(b) and (c), recordkeeping to document monthly throughput must begin upon startup of the affected source. For existing sources, as specified in §63.11112(d), recordkeeping to document monthly throughput must begin on January 10, 2008. For existing sources that are subject to this subpart only because they load gasoline into fuel tanks other than those in motor vehicles, as defined in §63.11132, recordkeeping to document monthly throughput must begin on January 24, 2011. Records required under this paragraph shall be kept for a period of 5 years.	The existing State rule is more stringent than the Federal rule, because certain requirements (e.g., submerged fill and Stage I vapor recovery) apply at a lower threshold within the listed counties. Proposed revisions to 1200-03-18-.24(1) will maintain the stringency of the State rule.
(1)(b)2.	Any gasoline dispensing facility which dispenses less than 10,000 gallons of gasoline per month is subject only to the provisions of Parts (3)(a)1 and (5)(b)2 of this rule.	See comment	See comment	The existing State rule is more stringent than the Federal rule, because certain requirements (e.g., submerged fill and Stage I vapor recovery) apply at a lower threshold within the listed counties. Proposed revisions to 1200-03-18-.24(1)(d) and (e) will maintain the stringency of the State rule.

Table 2: Comparison of Tennessee Stage I and Federal Requirements				
State Rule (1200-03-18-.24)	**State Requirement**	**Equivalent Federal Rule**	**Requirement**	**Comments**
(3)(a)	Standards (Stage I Vapor Recovery) for Gasoline Storage Vessels - The owner or operator of each gasoline dispensing facility subject to this rule shall comply with the following requirements:	See below	See below	
(3)(a)1.	All gasoline storage vessels at gasoline dispensing facilities shall be loaded by submerged fill;	§63.11117(b)	Except as specified in paragraph (c) of this section, you must only load gasoline into storage tanks at your facility by utilizing submerged filling, as defined in §63.11132, and as specified in paragraphs (b)(1), (b)(2), or (b)(3) of this section.	The Federal rule is as stringent as the existing State rule.
(3)(a)2.	All vapor lines on the storage vessel shall be equipped with closures that automatically seal upon disconnect.	§63.11118(b), Table 1 to Subpart CCCCCC	All vapor connections and lines on the storage tank shall be equipped with closures that seal upon disconnect.	The Federal rule is as stringent as the existing State rule.

<table>
<tr><th colspan="5">Table 2: Comparison of Tennessee Stage I and Federal Requirements</th></tr>
<tr><th>State Rule (1200-03-18-.24)</th><th>State Requirement</th><th>Equivalent Federal Rule</th><th>Requirement</th><th>Comments</th></tr>
<tr><td>(3)(a)3.</td><td>All gasoline storage vessels at gasoline dispensing facilities shall be served by a vapor recovery system approved by the Technical Secretary, or of a type certified by the California Air Resources Board, and designed, installed, and maintained to recover gasoline vapors displaced during transfer of gasoline from a tank truck to a storage tank;

Stage I gasoline vapor recovery systems used for this purpose shall be properly certified under the CARB enhanced vapor recovery (EVR) certification procedures effective on or after April 1, 2001, or shall be listed under the following pre-EVR CARB Executive Orders; mixing of components certified under separate CARB certification procedures will not be allowed.

<table>
<tr><th>Number</th><th>(Pre EVR) Vapor Recovery Certification Phase I (Stage I) Executive Orders Description</th><th>Date</th></tr>
<tr><td>G-70-97-A</td><td>Stage I Vapor Recovery Systems for Underground Gasoline Tanks at Service Stations</td><td>12/9/85</td></tr>
<tr><td>G-70-102-A</td><td>Certification of a Phase I Vapor Recovery System for Aboveground Storage Tanks with less than 40,000 Gallons Capacity for Gasoline or Gasoline/Methanol Blended Fuels</td><td>5/25/93</td></tr>
</table>
</td><td>§63.11118(b), Table 1 to Subpart CCCCCC

§63.11120</td><td>Comply with the requirements in Table 1 of Subpart CCCCCC or operate a vapor balance systems that achieves 90% reduction, uses management practices at least as stringent as Table 1 of Subpart CCCCCC.

Each owner or operator, at the time of installation and every 3 years thereafter, must demonstrate compliance with the leak rate and cracking pressure requirements, specified in item 1(g) of Table 1 and must demonstrate compliance with the static pressure performance requirement specified in item 1(h) of Table 1 by conducting a static pressure test.

Each owner or operator choosing to use a vapor balance system other than that described in Table 1 must demonstrate to the Administrator or delegated authority the equivalency of their vapor balance system to that described in Table 1.</td><td>The Federal rule is more stringent than the existing State rule.</td></tr>
</table>

Table 2: Comparison of Tennessee Stage I and Federal Requirements				
State Rule (1200-03-18-.24)	**State Requirement**	**Equivalent Federal Rule**	**Requirement**	**Comments**
(3)(a)4.	If a gauging well separate from the fill tube is used for manual measurement, it shall be provided with a submerged drop tube that extends to within 150 mm (5.9 in) of the gasoline storage vessel bottom; and	§63.11118(b), Table 1 to Subpart CCCCCC	If a gauge well separate from the fill tube is used, it shall be provided with a submerged drop tube that extends the same distance from the bottom of the storage tank as specified in §63.11117(b).	The Federal rule is as stringent as the existing State rule. §63.11117(b) requires submerged fill pipes installed on or before November 9, 2006, to be no more than 12 inches from the bottom of the tank. Submerged fill pipes installed after November 9, 2006, must be no more than 6 inches from the bottom of the tank. Submerged fill pipes not meeting these specifications are allowed if the owner or operator can demonstrate that the liquid level in the tank is always above the entire opening of the fill pipe. Documentation providing such demonstration must be made available for inspection by the Administrator's delegated representative during the course of a site visit.
(3)(a)5.	Liquid fill connections for all systems shall be equipped with vapor-tight caps.	§63.11118(b), Table 1 to Subpart CCCCCC	Liquid fill connections for all systems shall be equipped with vapor-tight caps.	The Federal rule is as stringent as the existing State rule.

Table 2: Comparison of Tennessee Stage I and Federal Requirements				
State Rule (1200-03-18-.24)	**State Requirement**	**Equivalent Federal Rule**	**Requirement**	**Comments**
3(b)	Standards (Stage I Vapor Recovery) for Gasoline Transfers from Tank Trucks to Storage Vessels - The owner or operator of a gasoline tank truck shall not unload gasoline to a gasoline storage vessel subject to vapor-tightness requirements during unloading unless the following conditions are met:	See below	See below	
3(b)1.	All hoses, adaptors, and couplers in the vapor balance system are properly connected;	§63.11118(d), Table 2 to Subpart CCCCCC	If you own or operate a gasoline cargo tank then you must not unload gasoline into a storage tank at a GDF subject to the control requirements in this subpart unless the following conditions are met: *All hoses in the vapor balance system are properly connected.*	The Federal rule is as stringent as the existing State rule.
3(b)2.	All vapor return hoses, couplers, and adapters used in the gasoline delivery are vapor-tight;	§63.11118(d), Table 2 to Subpart CCCCCC	If you own or operate a gasoline cargo tank then you must not unload gasoline into a storage tank at a GDF subject to the control requirements in this subpart unless the following conditions are met: *All vapor return hoses, couplers, and adapters used in the gasoline delivery are vapor-tight.*	The Federal rule is as stringent as the existing State rule.
3(b)3.	All vapor return equipment is compatible with the vapor balance equipment installed on the gasoline dispensing facility storage vessel;	§63.11118(d), Table 2 to Subpart CCCCCC	If you own or operate a gasoline cargo tank then you must not unload gasoline into a storage tank at a GDF subject to the control requirements in this subpart unless the following conditions are met: *All vapor return hoses, couplers, and adapters used in the gasoline delivery are vapor-tight.*	The Federal rule is as stringent as the existing State rule.
3(b)4.	All hatches on the gasoline tank truck are kept closed and securely fastened; and	§63.11118(d), Table 2 to Subpart CCCCCC	If you own or operate a gasoline cargo tank then you must not unload gasoline into a storage tank at a GDF subject to the control requirements in this subpart unless the following conditions are met: *All hatches on the tank truck are closed and securely fastened.*	The Federal rule is as stringent as the existing State rule.

Table 2: Comparison of Tennessee Stage I and Federal Requirements				
State Rule (1200-03-18-.24)	**State Requirement**	**Equivalent Federal Rule**	**Requirement**	**Comments**
3(b)5.	The filling of storage vessels at gasoline dispensing facilities is limited to unloading by vapor-tight gasoline tank trucks.	§63.11118(d), Table 2 to Subpart CCCCCC	The filling of storage tanks at GDF shall be limited to unloading from vapor-tight gasoline cargo tanks. Documentation that the cargo tank has met the specifications of EPA Method 27 shall be carried with the cargo tank, as specified in §63.11125(c).	The Federal rule is as stringent as the existing State rule.
(4)(a) and (c)	Test methods as follow apply: Unless otherwise specified in this rule, the test method found in Rule .85 of this chapter to determine compliance with the vapor-tight requirements of Paragraph (3) of this rule for lines, piping, caps, couplers, adapters, and fittings; or other methods necessary for demonstration of compliance approved by the Technical Secretary and the EPA.	§63.11120	Each owner or operator, at the time of installation and every 3 years thereafter, must demonstrate compliance with the leak rate and cracking pressure requirements, specified in item 1(g) of Table 1 and must demonstrate compliance with the static pressure performance requirement specified in item 1(h) of Table 1 by conducting a static pressure test. Each owner or operator choosing to use a vapor balance system other than that described in Table 1 must demonstrate to the Administrator or delegated authority the equivalency of their vapor balance system to that described in Table 1.	The Federal rule is more stringent than the existing State rule.
(5)	Notification, Recordkeeping and Reporting requirements: submit initial compliance certifications, testing notification, threshold exceedance notification. Maintain records documenting exemption from State Stage I requirements. Submit excess emissions reports.	§63.11118, §63.11124 through §63.11126	Have records available within 24 hours of a request to document gasoline throughput. Comply with Federal notification requirements. Maintain records of all tests performed under §63.11120(a) and (b), keep records of vapor tightness tests, keep records of malfunctions. Submit reports of volumetric efficiency test results and malfunction reports.	The Federal rule is as stringent as the existing State rule.

V. Request for SIP Revision

Tennessee requests that EPA approve a SIP revision to replace Tennessee's State-specific Stage I vapor recovery requirements (TAPCR 1200-03-18-.24) with the equivalent Federal requirements. Tennessee is proposing to adopt State-specific applicability requirements as need to assure no change in Stage I applicability for the counties covered by the SIP (Blount, Carter, Cheatham, Davidson, Dickson, Fayette, Hamilton, Hawkins, Haywood, Jefferson, Knox, Loudon, Marion, Meigs, Montgomery, Putnam, Robertson, Rutherford, Sevier, Shelby, Sullivan, Sumner, Tipton, Unicoi, Union, Washington, Williamson, and Wilson). Approval of the SIP revision will not adversely affect air quality for any criteria pollutant and satisfies all CAA requirements for removal of control measures.

Attachment 6

Notice of Rulemaking Hearing, 1200-03-18-.24

Department of State
Division of Publications
312 Rosa L. Parks, 8th Floor Snodgrass/TN Tower
Nashville, TN 37243
Phone: 615.741.2650
Email: publications.information@tn.gov

For Department of State Use Only

Sequence Number: 07-02-15
Notice ID(s): 2334
File Date: July 2, 2015

Notice of Rulemaking Hearing

Hearings will be conducted in the manner prescribed by the Uniform Administrative Procedures Act, T.C.A. § 4-5-204. For questions and copies of the notice, contact the person listed below.

Agency/Board/Commission:	Environment and Conservation
Division:	Air Pollution Control
Contact Person:	Travis Blake
Address:	William R. Snodgrass Tennessee Tower 312 Rosa L. Parks Avenue, 15th Floor Nashville, TN 37243
Phone:	(615) 532-0617
Email:	travis.blake@tn.gov

Any Individuals with disabilities who wish to participate in these proceedings (to review these filings) and may require aid to facilitate such participation should contact the following at least 10 days prior to the hearing:

ADA Contact:	ADA Coordinator
Address:	William R. Snodgrass Tennessee Tower 312 Rosa L. Parks Avenue, 2nd Floor Nashville, Tennessee 37243
Phone:	1-866-253-5827 (toll free) of 615-532-0200 Hearing impaired callers may use the TN Relay Service 1-800-848-0298
Email:	Beverly.Evans@tn.gov

Hearing Location(s) (for additional locations, copy and paste table)

Address 1:	Conference Room A		
Address 2:	William R. Snodgrass Tennessee Tower 312 Rosa L. Parks Avenue, 15th Floor		
City:	Nashville, Tennessee		
Zip:	37243		
Hearing Date :	08/31/15		
Hearing Time:	9:30 a.m.	_X_ CST/CDT ___ EST/EDT	

Additional Hearing Information:

There will be a public hearing before the Technical Secretary of the Tennessee Air Pollution Control Board to consider the promulgation of amendments to the Tennessee Air Pollution Control Regulations and the State Implementation Plan pursuant to Tennessee Code Annotated, Section 68-201-105. The comments received at this hearing will be presented to the Tennessee Air Pollution Control Board for their consideration in regards to the proposed regulatory amendments. The hearing will be conducted in the manner prescribed by the Uniform Administrative Procedures Act, T.C.A. §§ 4-5-201 et seq. and will take place in the 15th Floor Conference Room A, William R. Snodgrass Tennessee Tower, located at 312 Rosa L. Parks Avenue, Nashville, Tennessee 37243 at 9:30 a.m. on August 31, 2015. Written comments will be included in the hearing records if received by the close of business on August 31, 2015, at the office of the Technical Secretary, Tennessee Air Pollution Control Board, William R. Snodgrass Tennessee Tower, located at 312 Rosa L. Parks Avenue 15th Floor, Nashville, Tennessee 37243. Additionally, comments may be submitted via attachments through electronic mail until the close of business on August 31, 2015. Comments may be submitted via e-mail to Air.Pollution.Control@tn.gov.

Any individuals with disabilities who wish to participate in these proceedings or to review these filings should contact the Tennessee Department of Environment and Conservation to discuss any auxiliary aids or services needed to facilitate such participation. Such initial contact may be in person, by writing, telephone, or other means, and should be made no less than 10 days prior to August 31, 2015, or the date such party intends to review such filings, to allow time to provide such aid or service. Contact the Tennessee Department of Environment and Conservation ADA Coordinator, William R. Snodgrass Tennessee Tower, 312 Rosa L. Parks Avenue 2nd Floor, Nashville, TN 37243, (866) 253-5827. Hearing impaired callers may use the Tennessee Relay Service, (800) 848-0298.

If you have any questions about the origination of these rule changes, you may contact Travis Blake at (615) 532-0617. For complete copies of the text of the notice, please contact Travis Blake, Department of Environment and Conservation, William R. Snodgrass Tennessee Tower, 312 Rosa L. Parks Avenue 15th Floor, Nashville, TN 37243.

Rule 1200-03-18-24 Gasoline Dispensing Facilities – Stage I and Stage II Vapor Recovery is proposed to be amended. This amendment proposes to adopt the Federal requirements for gasoline dispensing facilities (40 CFR 63 Subpart CCCCCC) by reference and remove most State-specific language for Stage I vapor recovery. However, any gasoline dispensing facility with a monthly throughput of 10,000 gallons or more of gasoline that is located in Anderson, Blount, Carter, Cheatham, Davidson, Dickson, Fayette, Hamilton, Hawkins, Haywood, Jefferson, Knox, Loudon, Marion, Meigs, Montgomery, Putnam, Robertson, Rutherford, Sevier, Shelby, Sullivan, Sumner, Tipton, Unicoi, Union, Washington, Williamson, or Wilson Counties, will be subject to expanded requirements under Subpart CCCCCC. GDFs located in Davidson, Hamilton, Knox, or Shelby Counties are also subject to their local air pollution control program rules if they are more stringent than the proposed rule.

The amended rule will also allow existing gasoline dispensing facilities in Davidson, Rutherford, Sumner, Williamson, and Wilson Counties to remove Stage II vapor recovery systems beginning January 1, 2016, and will require the removal of all existing Stage II vapor recovery systems no later than January 1, 2019.

Interested parties may submit comments on **any** provision of the proposed rule. Public comments are specifically solicited on the following provisions:

> Paragraph (1)(b) of the proposed rule requires any new or existing GDF with a monthly throughput of less than 10,000 gallons of gasoline and is located in Anderson, Blount, Carter, Cheatham, Davidson, Dickson, Fayette, Hamilton, Hawkins, Haywood, Jefferson, Knox, Loudon, Marion, Meigs, Montgomery, Putnam, Robertson, Rutherford, Sevier, Shelby, Sullivan, Sumner, Tipton, Unicoi, Union, Washington, Williamson, or Wilson Counties to comply with the requirements in 40 CFR §63.11117(b) and (c) (submerged fill requirements for gasoline storage tanks). The Division requests comment on whether the submerged fill requirements should apply Statewide for new facilities.

Revisions considered at this hearing may be adopted by the Tennessee Air Pollution Control Board under T.C.A. 68-201-105, the Board general authority to promulgate rules. Materials concerning the proposed actions will be available for public inspection during normal working hours starting on _____, at the following locations:

Division of Air Pollution Control
William R. Snodgrass Tennessee Tower
312 Rosa L. Parks Avenue 15th Floor
Nashville, TN 37243

Division of Air Pollution Control
Jackson Environmental Field Office
1625 Hollywood Drive
Jackson, TN 38305

Division of Air Pollution Control
Chattanooga Environmental Field Office
1301 Riverfront Parkway, Suite #206
Chattanooga, TN 37402

Division of Air Pollution Control
Johnson City Environmental Field Office
2305 Silverdale Road
Johnson City, TN 37601

Division of Air Pollution Control
Columbia Environmental Field Office
1421 Hampshire Pike
Columbia, TN 38401

Division of Air Pollution Control
Knoxville Environmental Field Office
3711 Middlebrook Pike
Knoxville, TN 37921

Division of Air Pollution Control Cookeville Environmental Field Office 1221 South Willow Avenue Cookeville, TN 38506	Air Pollution Control Program Shelby County Health Department 814 Jefferson Avenue Memphis, TN 38105

All persons interested in the air quality of the State of Tennessee are urged to attend and will be afforded the opportunity to present testimony to the hearing officer regarding the proposed revisions to the State Implementation Plan. Any person desiring to present lengthy comments should be prepared at the hearing to offer a written statement to be incorporated into the record. Written statements not presented at the hearings will only be considered part of the records if received by 4:30 PM on August 31, 2015, at the office of the Technical Secretary, Tennessee Air Pollution Control Board, William R. Snodgrass Tennessee Tower, 312 Rosa L. Parks Avenue 15th Floor, Nashville, TN 37243.

Revision Type (check all that apply):

X Amendment
___ New
___ Repeal

Rule(s) (**ALL** chapters and rules contained in filing must be listed. If needed, copy and paste additional tables to accommodate more than one chapter. Please enter only **ONE** Rule Number/Rule Title per row.)

Chapter Number	**Chapter Title**
1200-03-18	Volatile Organic Compounds
Rule Number	**Rule Title**
1200-03-18-.24	Gasoline Dispensing Facilities – Stage I and Stage II Vapor Recovery

(Place substance of rules and other info here. Statutory authority must be given for each rule change. For information on formatting rules go to http://state.tn.us/sos/rules/1360/1360.htm)

Chapter 1200-03-18
Volatile Organic Compounds

Amendment

The Table of Contents for Chapter 1200-03-18 Volatile Organic Compounds is amended by changing the title of Rule 1200-03-18-.24 from "Gasoline Dispensing Facilities - Stage I and Stage II Vapor Recovery" to "Gasoline Dispensing Facilities."

Authority: T.C.A. §§ 68-201-101 et seq. and 4-5-201 et seq.

Rule 1200-03-18-.24 Gasoline Dispensing Facilities - Stage I and Stage II Vapor Recovery is amended by deleting it in its entirety and substituting instead the following:

1200-03-18-.24 Gasoline Dispensing Facilities

(1) The provisions of 40 CFR 63 Subpart CCCCCC (National Emission Standards for Hazardous Air Pollutants for Source Category: Gasoline Dispensing Facilities) are hereby adopted by reference as published in the July 1, 2014 edition of the Code of Federal Regulations (CFR), except as provided in subparagraphs (a) through (c) of this paragraph.

(a) Any reference contained in 40 CFR 63 Subpart CCCCCC to the:

1. Administrator shall instead be a reference to the Technical Secretary;

2. Applicable EPA regional office for the State of Tennessee shall instead be a reference to the EPA Region IV office; and

3. Delegated State authority shall instead be a reference to the Technical Secretary.

(b) If your gasoline dispensing facility (GDF) has a monthly throughput of less than 10,000 gallons of gasoline, and is located in Anderson, Blount, Carter, Cheatham, Davidson, Dickson, Fayette, Hamilton, Hawkins, Haywood, Jefferson, Knox, Loudon, Marion, Meigs, Montgomery, Putnam, Robertson, Rutherford, Sevier, Shelby, Sullivan, Sumner, Tipton, Unicoi, Union, Washington, Williamson, or Wilson Counties, you must also comply with the requirements in 40 CFR § 63.11117(b) and (c).

(c) If your GDF has a monthly throughput of 10,000 gallons of gasoline or more and is located in Anderson, Blount, Carter, Cheatham, Davidson, Dickson, Fayette, Hamilton, Hawkins, Haywood, Jefferson, Knox, Loudon, Marion, Meigs, Montgomery, Putnam, Robertson, Rutherford, Sevier, Shelby, Sullivan, Sumner, Tipton, Unicoi, Union, Washington, Williamson, or Wilson Counties, you must comply with the requirements in 40 CFR § 63.11118.

(d) For any GDF claiming an exemption from subparagraph (b) or (c) of this paragraph based on monthly throughput, if the GDF exceeds the applicability thresholds specified in subparagraph (b) or (c) of this paragraph, it shall be subject to the requirements of subparagraph (b) or (c) of this paragraph even if its throughput later falls below the threshold. The owner or operator shall inform the Technical Secretary within 30 days following the exceedance.

(2) Stage II vapor recovery requirements for GDF in Davidson, Rutherford, Sumner, Williamson, and Wilson counties.

(a) This paragraph applies only to GDF located in Davidson, Rutherford, Sumner, Williamson, and Wilson counties

(b) Any GDF with an existing Stage II vapor recovery system shall decommission and remove the system no later than January 1, 2019 and no GDF shall install a Stage II vapor recovery system on or after such date.

(c) On and after January 1, 2016, until December 31, 2018, no GDF shall be required to install a Stage II vapor recovery system and a GDF may decommission and remove the GDF's existing Stage II vapor recovery system.

(d) Any GDF that decommissions and removes a Stage II vapor recovery system shall conduct the decommissioning and removal in accordance with Petroleum Equipment Institute (PEI) guidance, "Recommended Practices for Installation and Testing of Vapor Recovery Systems at Vehicle Fueling Sites, PEI/RP300-09" for removal, notification, and certification.

(e) Any GDF that has a Stage II vapor recovery system must comply with all applicable provisions of subparagraph (f) of this paragraph until the system is decommissioned and removed.

(f) Stage II vapor recovery.

1. Definitions.

(i) "Vacuum assist system" means the gasoline vapor recovery system that employs a vacuum generating device to effect transfer of gasoline vapor displaced in fueling a vehicle tank to a gasoline storage tank, vapor storage tank, or vapor processing unit.

(ii) "Motor vehicle" means any self-propelled vehicle used to carry people or property on a street or highway.

(iii) "Stage II vapor recovery system" means a system to recover gasoline vapors displaced during dispensing to motor vehicle fuel tanks.

(iv) "Storage tank or storage vessel" means any stationary tank, reservoir or container used for the storage of a volatile organic liquid.

(v) "Volatile organic liquid" means any substance which is liquid at storage conditions and which contains volatile organic compounds.

2. The owner or operator of each GDF subject to this subparagraph shall comply with the following requirements:

(i) The Stage II vapor recovery system must be approved by the Technical Secretary; certified by the California Air Resources Board; designed, installed, operated, and maintained to recover gasoline vapors displaced during dispensing to motor vehicle fuel tanks; and accessible for inspection and testing.

(ii) The Stage II vapor recovery system shall include for any dispenser and system the following:

(I) Vapor-tight coaxial hose to conduct vapors captured during dispensing, except on new vehicle fueling lines at motor vehicle assembly plants where vapor-tight dual hose on vacuum assist systems may be employed in lieu of vapor-tight coaxial hose;

(II) For balance systems:

I. Installation of piping between the dispenser and the vapor collection tank which precludes liquid blockage in the piping; and

II. No device which inhibits immediate testing for dynamic backpressure;

(III) For vacuum assist systems, sufficient vacuum to prevent escape of gasoline vapors during dispensing;

(IV) Vapor-tight piping, fittings, caps, couplers, and adapters; and

(V) Maintenance of vapor tightness throughout the vapor recovery system, except during facility storage tank loading, gauging, and sampling and during maintenance and testing necessitating disruption in the integrity of the system.

(iii) Use of any aftermarket or rebuilt parts is restricted to parts approved by the California Air Resources Board.

(iv) Gasoline shall not be dispensed from a dispensing unit served by or permitted to be served by a component which does not satisfy the following:

(I) Each component required for operation of the system is in place and, to the extent it can be confirmed by sensory inspection, is unimpaired and operational;

(II) Each nozzle boot is not torn in either of the following manners:

I. Triangular - shaped or similar tear 1/2 inch or more to a side, or hole 1/2 inch or more in length; or

II. Slit 1 inch or more in length.

(III) Each faceplate or flexible cone is not damaged in the following manner:

I. For balance nozzles and nozzles for aspirator and eductor assist type systems, damage such that the capability to achieve a seal with a fillpipe interface is diminished for an accumulated total of 1/4 of the circumference of the faceplate; or

II. For nozzles for vacuum assist systems, more than 1/4 of the flexible cone is missing;

(IV) Each nozzle shutoff mechanism is operational;

(V) Each vacuum producing unit is operational;

(VI) Each vapor processing unit is operational;

(VII) Each fitting, cap, coupler, and adapter is vapor-tight; and

(VIII) Each pressure/vacuum relief valve, vapor check valve, and dry break is operational.

(v) The owner or operator shall conspicuously display fueling instructions and information in the gasoline dispensing area. These instructions and this information shall describe to customers clearly the proper procedure to be used for fueling vehicles from the dispenser. These instructions and this information shall include instruction about the proper method of reporting system defects first to facility management, and, then if defects are not corrected, to the Technical Secretary. The notice of the method of reporting to the Technical Secretary shall be displayed no earlier than 3 months after and no later than 6 months after the display of the other instructions and information listed above.

3. Test methods as follow apply:

(i) The test methods found in Appendix J, Technical Guidance - Stage II Vapor Recovery Systems for Control of Vehicle Refueling Emissions at Gasoline Dispensing Facilities, Volume II, EPA - 450/3-91-022b (November 1991), to determine compliance with applicable requirements specified in part (2)(f)2 of this

rule; or

(ii) Other methods necessary for demonstration of compliance approved by the Technical Secretary and the EPA.

4. Notification requirements – Each owner or operator of any facility containing sources subject to this subparagraph shall provide the Technical Secretary written notice of any compliance demonstration testing. This notice shall be provided to the Technical Secretary such that the Technical Secretary is informed of the proposed testing at least 14 days before the proposed date of testing, thereby providing the Technical Secretary opportunity to observe the testing.

5. Recordkeeping requirements -- Each owner or operator of any facility containing sources subject to this subparagraph shall, except as provided otherwise in this chapter, maintain required permits and required logs of maintenance at the facility for which the permits are issued and the logs created for a minimum of 3 years. Such records shall be made available to the Technical Secretary upon request.

6. Excess Emissions Report - The owner or operator of any facility containing sources subject to this subparagraph shall comply with the requirements in paragraph (2) of Rule 1200-03-18-.04.

7. Compliance Demonstration Testing - The owner or operator of any facility containing sources subject to the provisions of this subparagraph shall:

(i) Within 30 days following the occurrence of an incident which could reasonably be expected to have adversely affected the performance of the system, such as excavation near system piping or following replacement of the system, perform applicable testing to demonstrate compliance is maintained; and

(ii) Within 5 years following any compliance demonstration for the complete system, demonstrate the system maintains compliance.

Authority: T.C.A. §§ 68-201-101 et seq. and 4-5-201 et seq.

I certify that the information included in this filing is an accurate and complete representation of the intent and scope of rulemaking proposed by the agency.

Date: 7/2/2015

Signature: for Barry R. Stephens

Name of Officer: Barry R. Stephens, P.E.

Title of Officer: Director, Tennessee Division of Air Pollution Control

MALCOLM H. BUTLER STATE OF TENNESSEE NOTARY PUBLIC DAVIDSON COUNTY, TENN.

Subscribed and sworn to before me on: July 2, 2015

Notary Public Signature: Malcolm H. Butler

My commission expires on: 1/11/2017

Department of State Use Only

Filed with the Department of State on: 7-2-2015

Doc Hargett by POA
Tre Hargett
Secretary of State

RECEIVED
2015 JUL -2 PM 1:46
SECRETARY OF STATE
PUBLICATIONS

Attachment 7

Public Depository Transmittal Information

Travis Blake

From: Travis Blake
Sent: Wednesday, July 08, 2015 12:20 PM
To: TDEC Webteam
Subject: Public Hearing Notice for SIP Revision
Attachments: 2015-0707 Stage II Public Hearing Notice.docx; 2015-0702 Stage II SIP Technical Support Document.pdf; 2015-0702 CAA 110(l) Demonstration for Stage I changes.pdf; 1200-03-18-24 amendment redline 07-02-2015.pdf

Please place the attached documents on the TDEC PPO web page (http://www.tn.gov/environment/topic/ppo-air).

1. Public hearing notice (2015-0707 Stage II Public Hearing Notice.docx)
2. Revision to TAPCR 1200-03-18-.24 (1200-03-18-24 amendment redline 07-02-2015);
3. Stage II SIP Technical Support Document (2015-0702 Stage II SIP Technical Support Document)
4. Clean Air Act §110(l) demonstration for Changes to Tennessee's Stage I Vapor Recovery Requirements (2015-0702 CAA 110(l) Demonstration for Stage I changes.pdf)

Please contact me if you have any questions or need additional information. Thanks.

Travis J. Blake | TDEC Environmental Consultant 3
Division of Air Pollution Control
William R. Snodgrass Tennessee Tower, 15th Floor
312 Rosa L. Parks Avenue, Nashville, TN 37243
p. (615) 532-0617
travis.blake@tn.gov
tn.gov/environment

Travis Blake

From: Travis Blake
Sent: Wednesday, July 08, 2015 12:21 PM
To: Don Davis; Amanda L. Davis; Jeff Cales; Martie Carpenter; Carol M. Williams; Bill McCabe; Brad Garrett; bob.rogers@shelbycountytn.gov
Subject: Public Depository Documents for Tennessee SIP Revision - Stage I and Stage II Vapor Recovery
Attachments: 2015-0707 Stage II Public Hearing Notice.pdf; 2015-0702 Stage II SIP Technical Support Document.pdf; 2015-0702 CAA 110(l) Demonstration for Stage I changes.pdf; 1200-03-18-24 amendment redline 07-02-2015.pdf

Please place the attached files (print or maintain an electronic copy) until September 1, 2015, for the public depository. You should have four documents:

1. Amendment to TAPCR 1200-03-18-.24;
2. Stage II Technical Support Document;
3. CAA §110(l) demonstration for Stage I changes; and
4. Public hearing notice.

Please respond to confirm receipt of all four documents. Thanks.

TN Department of Environment & Conservation

Travis J. Blake | TDEC Environmental Consultant 3
Division of Air Pollution Control
William R. Snodgrass Tennessee Tower, 15th Floor
312 Rosa L. Parks Avenue, Nashville, TN 37243
p. (615) 532-0617
travis.blake@tn.gov
tn.gov/environment

Attachment 8

Affected State Notification

Travis Blake

From: Travis Blake
Sent: Wednesday, July 08, 2015 12:23 PM
To: Lakeman, Sean (Lakeman.Sean@epa.gov); Bradley, Twunjala (Bradley.Twunjala@epa.gov); 'CH@adem.state.al.us'; 'davisa@adeq.state.ar.us'; 'james.boylan@dnr.state.ga.us'; 'bob.bernoteit@illinois.gov'; 'lesliem.poff@ky.gov'; 'kyra.moore@dnr.mo.gov'; 'dallas_baker@deq.state.ms.us'; 'sheila.holman@ncdenr.gov'; 'reecemc@dhec.sc.gov'; 'michael.dowd@deq.virginia.gov'; 'laura.m.crowder@wv.gov'; laliddington@aqm.co.knox.tn.us; bob.rogers@shelbycountytn.gov; 'Finke, John (Health)' (John.Finke@nashville.gov); Colby_Bob@chattanooga.gov; forrpark@nc-cherokee.com
Cc: James Johnston; Paul LaRock; Lacey Hardin; Donovan Grimwood
Subject: Public Hearing Notice for Tennessee SIP Revision - Stage I and Stage II Vapor Recovery
Attachments: 1200-03-18-24 amendment redline 07-02-2015.pdf; 2015-0702 CAA 110(l) Demonstration for Stage I changes.pdf; 2015-0702 Stage II SIP Technical Support Document.pdf

NOTICE OF PUBLIC HEARING
TENNESSEE DEPARTMENT OF ENVIRONMENT AND CONSERVATION
DIVISION OF AIR POLLUTION CONTROL

There will be a public hearing before the Technical Secretary of the Tennessee Air Pollution Control Board to consider the promulgation of amendments to the Tennessee Air Pollution Control Regulations and the State Implementation Plan pursuant to Tennessee Code Annotated, Section 68-201-105. The comments received at this hearing will be presented to the Tennessee Air Pollution Control Board for their consideration in regards to the proposed regulatory amendments. The hearing will be conducted in the manner prescribed by the Uniform Administrative Procedures Act, T.C.A. §§ 4-5-201 et seq. and will take place in the 15th Floor Conference Room A, William R. Snodgrass Tennessee Tower, located at 312 Rosa L. Parks Avenue, Nashville, Tennessee 37243 at 9:30 a.m. on August 31, 2015. Written comments will be included in the hearing records if received by the close of business on August 31, 2015, at the office of the Technical Secretary, Tennessee Air Pollution Control Board, William R. Snodgrass Tennessee Tower, located at 312 Rosa L. Parks Avenue 15th Floor, Nashville, Tennessee 37243. Additionally, comments may be submitted via attachments through electronic mail until the close of business on August 31, 2015. Comments may be submitted via e-mail to Air.Pollution.Control@tn.gov.

Any individuals with disabilities who wish to participate in these proceedings or to review these filings should contact the Tennessee Department of Environment and Conservation to discuss any auxiliary aids or services needed to facilitate such participation. Such initial contact may be in person, by writing, telephone, or other means, and should be made no less than 10 days prior to August 31, 2015, or the date such party intends to review such filings, to allow time to provide such aid or service. Contact the Tennessee Department of Environment and Conservation ADA Coordinator, William R. Snodgrass Tennessee Tower, 312 Rosa L. Parks Avenue 2nd Floor, Nashville, TN 37243, (866) 253-5827. Hearing impaired callers may use the Tennessee Relay Service, (800) 848-0298.

If you have any questions about the origination of these rule changes, you may contact Travis Blake at (615) 532-0617. For complete copies of the text of the notice, please contact Travis Blake, Department of Environment and Conservation, William R. Snodgrass Tennessee Tower, 312 Rosa L. Parks Avenue 15th Floor, Nashville, TN 37243.

Rule 1200-03-18-24 Gasoline Dispensing Facilities – Stage I and Stage II Vapor Recovery is proposed to be amended. This amendment proposes to adopt the Federal requirements for gasoline dispensing facilities (40 CFR 63 Subpart CCCCCC) by reference and remove most State-specific language for Stage I vapor recovery. However, any gasoline dispensing facility with a monthly throughput of 10,000 gallons or more of gasoline that is located in Anderson, Blount, Carter, Cheatham, Davidson, Dickson, Fayette, Hamilton, Hawkins, Haywood, Jefferson, Knox, Loudon, Marion, Meigs, Montgomery, Putnam, Robertson, Rutherford, Sevier, Shelby, Sullivan, Sumner, Tipton, Unicoi, Union, Washington, Williamson, or Wilson Counties, will be subject to expanded requirements under Subpart CCCCCC. GDFs located in Davidson, Hamilton, Knox, or Shelby Counties are also subject to their local air pollution control program rules if they are more stringent than the proposed rule.

The amended rule will also allow existing gasoline dispensing facilities in Davidson, Rutherford, Sumner, Williamson, and Wilson Counties to remove Stage II vapor recovery systems beginning January 1, 2016, and will require the removal of all existing Stage II vapor recovery systems no later than January 1, 2019.

Interested parties may submit comments on any provision of the proposed rule. Public comments are specifically solicited on the following provisions:

> Paragraph (1)(b) of the proposed rule requires any new or existing GDF with a monthly throughput of less than 10,000 gallons of gasoline and is located in Anderson, Blount, Carter, Cheatham, Davidson, Dickson, Fayette, Hamilton, Hawkins, Haywood, Jefferson, Knox, Loudon, Marion, Meigs, Montgomery, Putnam, Robertson, Rutherford, Sevier, Shelby, Sullivan, Sumner, Tipton, Unicoi, Union, Washington, Williamson, or Wilson Counties to comply with the requirements in 40 CFR §63.11117(b) and (c) (submerged fill requirements for gasoline storage tanks). The Division requests comment on whether the submerged fill requirements should apply Statewide for new facilities.

Revisions considered at this hearing may be adopted by the Tennessee Air Pollution Control Board under T.C.A. 68-201-105, the Board general authority to promulgate rules. Materials concerning the proposed actions will be available for public inspection during normal working hours starting on July 15, 2015, at the following locations:

Division of Air Pollution Control
William R. Snodgrass Tennessee Tower
312 Rosa L. Parks Avenue 15th Floor
Nashville, TN 37243

Division of Air Pollution Control
Jackson Environmental Field Office
1625 Hollywood Drive
Jackson, TN 38305

Division of Air Pollution Control
Chattanooga Environmental Field Office
1301 Riverfront Parkway, Suite #206
Chattanooga, TN 37402

Division of Air Pollution Control
Johnson City Environmental Field Office
2305 Silverdale Road
Johnson City, TN 37601

Division of Air Pollution Control
Columbia Environmental Field Office
1421 Hampshire Pike
Columbia, TN 38401

Division of Air Pollution Control
Knoxville Environmental Field Office
3711 Middlebrook Pike
Knoxville, TN 37921

Division of Air Pollution Control
Cookeville Environmental Field Office
1221 South Willow Avenue
Cookeville, TN 38506

Air Pollution Control Program
Shelby County Health Department
814 Jefferson Avenue
Memphis, TN 38105

All persons interested in the air quality of the State of Tennessee are urged to attend and will be afforded the opportunity to present testimony to the hearing officer regarding the proposed revisions to the State Implementation Plan. Any person desiring to present lengthy comments should be prepared at the hearing to offer a written statement to be incorporated into the record. Written statements not presented at the hearings will only be considered part of the records if received by 4:30 PM on August 31, 2015, at the office of the Technical Secretary, Tennessee Air Pollution Control Board, William R. Snodgrass Tennessee Tower, 312 Rosa L. Parks Avenue 15th Floor, Nashville, TN 37243.

Travis Blake

From: Travis Blake
Sent: Thursday, July 09, 2015 10:48 AM
To: 'Bloomberg, David E.'
Subject: FW: Public Hearing Notice for Tennessee SIP Revision - Stage I and Stage II Vapor Recovery
Attachments: 1200-03-18-24 amendment redline 07-02-2015.pdf; 2015-0702 CAA 110(l) Demonstration for Stage I changes.pdf; 2015-0702 Stage II SIP Technical Support Document.pdf

David,

A public notice is attached for a revision to Tennessee's SIP. The original was sent to Bob Bernoteit yesterday.

TN Department of Environment & Conservation

Travis J. Blake | TDEC Environmental Consultant 3
Division of Air Pollution Control
William R. Snodgrass Tennessee Tower, 15th Floor
312 Rosa L. Parks Avenue, Nashville, TN 37243
p. (615) 532-0617
travis.blake@tn.gov
tn.gov/environment

From: Travis Blake
Sent: Wednesday, July 08, 2015 12:23 PM
To: Lakeman, Sean (Lakeman.Sean@epa.gov); Bradley, Twunjala (Bradley.Twunjala@epa.gov); 'CH@adem.state.al.us'; 'davisa@adeq.state.ar.us'; 'james.boylan@dnr.state.ga.us'; 'bob.bernoteit@illinois.gov'; 'lesliem.poff@ky.gov'; 'kyra.moore@dnr.mo.gov'; 'dallas_baker@deq.state.ms.us'; 'sheila.holman@ncdenr.gov'; 'reecemc@dhec.sc.gov'; 'michael.dowd@deq.virginia.gov'; 'laura.m.crowder@wv.gov'; laliddington@aqm.co.knox.tn.us; bob.rogers@shelbycountytn.gov; 'Finke, John (Health)' (John.Finke@nashville.gov); Colby_Bob@chattanooga.gov; forrpark@nc-cherokee.com
Cc: James Johnston; Paul LaRock; Lacey Hardin; Donovan Grimwood
Subject: Public Hearing Notice for Tennessee SIP Revision - Stage I and Stage II Vapor Recovery

NOTICE OF PUBLIC HEARING
TENNESSEE DEPARTMENT OF ENVIRONMENT AND CONSERVATION
DIVISION OF AIR POLLUTION CONTROL

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Conference Room A, William R. Snodgrass Tennessee Tower, located at 312 Rosa L. Parks Avenue, Nashville, Tennessee 37243 at 9:30 a.m. on August 31, 2015. Written comments will be included in the hearing records if received by the close of business on August 31, 2015, at the office of the Technical Secretary, Tennessee Air Pollution Control Board, William R. Snodgrass Tennessee Tower, located at 312 Rosa L. Parks Avenue 15th Floor, Nashville, Tennessee 37243. Additionally, comments may be submitted via attachments through electronic mail until the close of business on August 31, 2015. Comments may be submitted via e-mail to Air.Pollution.Control@tn.gov.

Any individuals with disabilities who wish to participate in these proceedings or to review these filings should contact the Tennessee Department of Environment and Conservation to discuss any auxiliary aids or services needed to facilitate such participation. Such initial contact may be in person, by writing, telephone, or other means, and should be made no less than 10 days prior to August 31, 2015, or the date such party intends to review such filings, to allow time to provide such aid or service. Contact the Tennessee Department of Environment and Conservation ADA Coordinator, William R. Snodgrass Tennessee Tower, 312 Rosa L. Parks Avenue 2nd Floor, Nashville, TN 37243, (866) 253-5827. Hearing impaired callers may use the Tennessee Relay Service, (800) 848-0298.

If you have any questions about the origination of these rule changes, you may contact Travis Blake at (615) 532-0617. For complete copies of the text of the notice, please contact Travis Blake, Department of Environment and Conservation, William R. Snodgrass Tennessee Tower, 312 Rosa L. Parks Avenue 15th Floor, Nashville, TN 37243.

Rule 1200-03-18-24 Gasoline Dispensing Facilities – Stage I and Stage II Vapor Recovery is proposed to be amended. This amendment proposes to adopt the Federal requirements for gasoline dispensing facilities (40 CFR 63 Subpart CCCCCC) by reference and remove most State-specific language for Stage I vapor recovery. However, any gasoline dispensing facility with a monthly throughput of 10,000 gallons or more of gasoline that is located in Anderson, Blount, Carter, Cheatham, Davidson, Dickson, Fayette, Hamilton, Hawkins, Haywood, Jefferson, Knox, Loudon, Marion, Meigs, Montgomery, Putnam, Robertson, Rutherford, Sevier, Shelby, Sullivan, Sumner, Tipton, Unicoi, Union, Washington, Williamson, or Wilson Counties, will be subject to expanded requirements under Subpart CCCCCC. GDFs located in Davidson, Hamilton, Knox, or Shelby Counties are also subject to their local air pollution control program rules if they are more stringent than the proposed rule.

The amended rule will also allow existing gasoline dispensing facilities in Davidson, Rutherford, Sumner, Williamson, and Wilson Counties to remove Stage II vapor recovery systems beginning January 1, 2016, and will require the removal of all existing Stage II vapor recovery systems no later than January 1, 2019.

Interested parties may submit comments on any provision of the proposed rule. Public comments are specifically solicited on the following provisions:

> Paragraph (1)(b) of the proposed rule requires any new or existing GDF with a monthly throughput of less than 10,000 gallons of gasoline and is located in Anderson, Blount, Carter, Cheatham, Davidson, Dickson, Fayette, Hamilton, Hawkins, Haywood, Jefferson, Knox, Loudon, Marion, Meigs, Montgomery, Putnam, Robertson, Rutherford, Sevier, Shelby, Sullivan, Sumner, Tipton, Unicoi, Union, Washington, Williamson, or Wilson Counties to comply with the requirements in 40 CFR §63.11117(b) and (c) (submerged fill requirements for gasoline storage tanks). The Division requests comment on whether the submerged fill requirements should apply Statewide for new facilities.

Revisions considered at this hearing may be adopted by the Tennessee Air Pollution Control Board under T.C.A. 68-201-105, the Board general authority to promulgate rules. Materials concerning the proposed actions will be available for public inspection during normal working hours starting on July 15, 2015, at the following locations:

Division of Air Pollution Control
William R. Snodgrass Tennessee Tower
312 Rosa L. Parks Avenue 15th Floor
Nashville, TN 37243

Division of Air Pollution Control
Jackson Environmental Field Office
1625 Hollywood Drive
Jackson, TN 38305

Division of Air Pollution Control
Chattanooga Environmental Field Office
1301 Riverfront Parkway, Suite #206
Chattanooga, TN 37402

Division of Air Pollution Control
Johnson City Environmental Field Office
2305 Silverdale Road
Johnson City, TN 37601

Division of Air Pollution Control
Columbia Environmental Field Office
1421 Hampshire Pike
Columbia, TN 38401

Division of Air Pollution Control
Knoxville Environmental Field Office
3711 Middlebrook Pike
Knoxville, TN 37921

Division of Air Pollution Control
Cookeville Environmental Field Office
1221 South Willow Avenue
Cookeville, TN 38506

Air Pollution Control Program
Shelby County Health Department
814 Jefferson Avenue
Memphis, TN 38105

All persons interested in the air quality of the State of Tennessee are urged to attend and will be afforded the opportunity to present testimony to the hearing officer regarding the proposed revisions to the State Implementation Plan. Any person desiring to present lengthy comments should be prepared at the hearing to offer a written statement to be incorporated into the record. Written statements not presented at the hearings will only be considered part of the records if received by 4:30 PM on August 31, 2015, at the office of the Technical Secretary, Tennessee Air Pollution Control Board, William R. Snodgrass Tennessee Tower, 312 Rosa L. Parks Avenue 15th Floor, Nashville, TN 37243.

Attachment 9

Public Hearing Information

Public Hearing

Division of Air Pollution Control
William R. Snodgrass Tennessee Tower
312 Rosa L. Parks Avenue, 15th Floor
Nashville, Tennessee 37243

9:30 AM.
August 31, 2015

Hearing Officer:	Mr. Malcolm Butler APC
Division of Air Pollution Control Representatives:	Ms. Linda Bilbrey APC (Recording Secretary) Mr. Travis Blake APC Mr. James Johnston APC Ms. Karen Cisler APC Board member
Other Divisions: Resources Management Bureau	Mr. Donovan Grimwood SBEAP
Public	Ms. Emily LeRoy TN Fuel & C Store Assoc.

Comment Summary

This public hearing has been called to consider Rule 1200-03-18-24 Gasoline Dispensing Facilities – Stage I and Stage II Vapor Recovery.

Commenter: Mr. Travis Blake APC

Comment: As proposed, the amended rule would allow existing gasoline dispensing facilities in Davidson, Rutherford, Sumner, Williamson, and Wilson Counties to remove Stage II vapor recovery systems beginning January 1, 2016, and would require the removal of all existing Stage II vapor recovery systems no later than January 1, 2019.

Considering that the rule needs to go through several additional steps before it becomes State effective, including approval by the Air Pollution Control Board, review by the Attorney General's office, and review by the Secretary of State, we do not believe that the final rule will become effective by January 1, 2016. We also believe that if the dates from the proposed rule remain unchanged, the final rule would allow somewhat less than three years to complete the removal of existing Stage II systems in the affected counties.

The Division of Air Pollution Control has discussed this issue with TDEC's Office of General Counsel, and we believe that the circumstances warrant a change in the effective dates listed in the proposed rule. Therefore, the effective dates listed in paragraph (2) of the proposed rule – the starting and ending dates for Stage II removal – will be delayed by an appropriate amount in the final rule. This change will serve two purposes. First, the change will assure that the starting date for Stage II removal does not occur prior to the effective date of the rule. Second, the change will assure that affected facilities are allowed the full three-year period to remove existing Stage II systems. The final rule may include specific dates, or the start and end dates may be based on the effective date of the rule. If we do not include specific dates in this rulemaking, we will do a later rulemaking to add specific dates to the rule.

Response: The final rule will be amended as indicated above.

Commenter: Ms. Emily LeRoy TN Fuel & C Store Assoc.

Comment: Will this rule subject any new locations to Stage I requirements?

Response: This rule will not subject any new counties or locations to Stage I vapor recovery requirements. Currently, gasoline dispensing facilities (GDF) located in Anderson, Blount, Carter, Cheatham, Davidson, Dickson, Fayette, Hamilton, Hawkins, Haywood, Jefferson, Knox, Loudon, Marion, Meigs, Montgomery, Putnam, Robertson, Rutherford, Sevier, Shelby, Sullivan, Sumner, Tipton, Unicoi, Union, Washington, Williamson, or Wilson Counties with a monthly throughput of 10,000 gallons or more are required to comply with Tennessee's Stage I vapor recovery requirements. GDF located in these counties will remain subject to the Federal equivalent of Stage I vapor recovery (40 CFR §63.11118) if their monthly throughput is 10,000 gallons or more. The lower applicability in these counties is necessary to comply with the anti-backsliding requirements of section 110(l) of the Clean Air Act. However, the lower threshold does not affect any facilities that were not already subject to the existing State requirement.

For all other counties in Tennessee, 40 CFR 63 Subpart CCCCCC subjects GDF to the requirements of 40 CFR §63.11118 at a monthly throughput of 100,000 gallons or more. This applicability will not change.

Comment: As part of the new rules requiring upgraded equipment or decommissioning of equipment, will there be any permitting or fees associated with decommissioning of Stage II vapor recovery?

Response: There will be no permitting or fees associated with decommissioning of Stage II systems.

Attachment 10

Response to Written Comments

Response to Written Questions from the Tennessee Fuel and Convenience Store Association (TFCA) August 18, 2015

1. ***Regarding 1 (b): is there a current requirement in the Tennessee rule for length of submerged fill? Does the department have an estimate of number of older stations that will not meet the new requirements and will require new submerged fill? Does the department have a cost estimate for new submerged fill, including all installation costs?***

   The current rule states (TAPCR 1200-03-18-.24(3)(a)1) that gasoline dispensing facilities located in the listed counties[1] and with less than 10,000 gallons/month of throughput shall load gasoline storage vessels by submerged fill and defines "submerged fill" as the method of filling a delivery vessel or storage vessel where product enters within 5.9 inches of the bottom of the vessel. Bottom filling of delivery and storage vessels is included in this definition.

   The proposed rule would require gasoline dispensing facilities that are located in the listed counties and have less than 10,000 gallons/month of throughput to comply with 40 CFR §63.11117(b) and (c). §63.11117(b) requires facilities to load gasoline into storage tanks utilizing submerged filling, as measured from the point in the opening of the submerged fill pipe that is the greatest distance from the bottom of the storage tank.

   - Submerged fill pipes installed on or before November 9, 2006, must be no more than 12 inches from the bottom of the tank.

   - Submerged fill pipes installed after November 9, 2006, must be no more than 6 inches from the bottom of the tank.

   - Submerged fill pipes not meeting the specifications of paragraphs (b)(1) or (b)(2) of this section are allowed if the owner or operator can demonstrate that the liquid level in the tank is always above the entire opening of the fill pipe. Documentation providing such demonstration must be made available for inspection by the Administrator's delegated representative during the course of a site visit.

   The existing State requirement for submerged fill (5.9 inches from the bottom of the tank) is slightly more stringent than the Federal requirement (6 inches from the bottom of the tank), so there should be no additional costs associated to facilities complying with TAPCR 1200-03-18-.24(3)(a)1.

2. ***Regarding 1 (c): What is the current requirement for stations with a monthly throughput of 10,000 or more? Does the department have an estimate of how many stations do not meet the proposed standard and what the cost per station upgrade will be?***

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1 Anderson, Blount, Carter, Cheatham, Davidson, Dickson, Fayette, Hamilton, Hawkins, Haywood, Jefferson, Knox, Loudon, Marion, Meigs, Montgomery, Putnam, Robertson, Rutherford, Sevier, Shelby, Sullivan, Sumner, Tipton, Unicoi, Union, Washington, Williamson, or Wilson County

Stations located in the listed counties (footnote 1) with a monthly throughput of 10,000 gallons or more are required to comply with Tennessee's Stage I vapor recovery requirements, and we do not expect facilities to need upgrades if they are in compliance with the existing State requirement.

3. ***Regarding Stage II: will the state allow partial decommissioning? For instance, allowing certain parts such as existing hoses, nozzles, breakaway valves and swivels (hanging hardware) and vapor pumps to be left in place.***

   We are not proposing to allow partial decommissioning. GDFs would be required to decommission and remove the Stage II vapor recovery system in accordance with Petroleum Equipment Institute (PEI) guidance, "Recommended Practices for Installation and Testing of Vapor Recovery Systems at Vehicle Fueling Sites, PEI/RP300-09" for removal, notification, and certification (see attachment). In general, the PEI guidance allows piping to be abandoned in place but requires replacement of hanging hardware.

4. ***As part of the new rules requiring upgraded equipment or decommissioning of equipment, will there be a permit process involved which will be established later by the Technical Secretary?***

   There will not be a permit process for upgrading/decommissioning of equipment.

5. ***As part of the new rules requiring upgraded equipment or decommissioning of equipment, will there be any fees associated or anticipated?***

   There will not be any fees associated with upgrading/decommissioning of equipment.

6. ***Please provide a chart of differences between this proposed rule and the rules of the counties that have their own programs. i.e. Davidson, Hamilton, Knox and Shelby.***

   A copy of Tennessee's 110(l) demonstration is attached. We are required to submit the 110(l) demonstration to EPA to show that the revised State requirements are at least as stringent as the Federal requirements. The 110(l) demonstration includes a comparison of State and Federal requirements.

   Knox and Shelby Counties have directly adopted the State regulation, and there is no difference between those two counties and the existing State requirements. Davidson County has some requirements for GDFs that are more stringent. Hamilton County's rules are worded differently, and a direct comparison is more difficult. These rules are available at the following links: Davidson County rules Section 7-13, page 17 and Hamilton County rules Rule 25-10, page 272.

7. ***As part of the rule making process, is there a requirement to do a cost to business assessment?***

   A cost to business assessment is not necessarily required, but we prepared a cost assessment as part of this rulemaking (see below). Over time, the cost of decommissioning an existing Stage II system (varies, but up to $10,000) is offset by reduced maintenance and testing costs (~$3,000 per year).

Stage II Vapor Recovery Decommissioning Cost Estimates
April 24, 2015

Activity	Estimated Cost	Source
Estimated decommissioning cost for one single-hose dispenser	~$800	TDEC estimate based on Wisconsin vendor pricing (January 2013)
Estimated decommissioning cost for one multi-hose dispenser (3 hoses)	~$1,300	TDEC estimate based on Wisconsin vendor pricing (January 2013)
Estimated decommissioning cost for a facility with six multi-hose dispensers (3 hoses each)	~$5,500	TDEC estimate based on Wisconsin vendor pricing (January 2013)
Decommissioning cost estimated by Georgia EPD	$1,500 - $2,500	Georgia EPD
Decommissioning cost for example site with 6 single-hose, multiproduct dispensers with vacuum assist system and four tanks: 2 manifolded regular unleaded, 1 premium, and 1 diesel	$4,600 ($1,132 labor, $468 testing, $3,000 new hardware)	Georgia Tank and Environmental Contractors Association
Estimated decommissioning cost for one single-hose dispenser	~$600	TN Fuel and Convenience Store Association, Tri-Star Energy
Estimated decommissioning cost for one multi-hose dispenser	~$1,650	TN Fuel and Convenience Store Association, Tri-Star Energy
Estimated decommissioning cost for a facility with six multi-hose dispensers	~$10,000	TN Fuel and Convenience Store Association, Tri-Star Energy

Range of decommissioning costs:
One single-hose dispenser: $600 - $800
One multi-hose dispenser: $1,300 - $1,650
Six multi-hose dispensers: $4,600 - $10,000

Cost Estimates for Retaining Stage II Vapor Recovery
April 24, 2015

Activity	Estimated Cost	Source
Cost of installing Stage II vapor recovery equipment at new GDFs (includes USTs, associated piping, pumps and ancillary equipment)	$20,000 to $60,000	EPA[2]
Cost of installing Stage II vapor recovery equipment at new GDFs (includes USTs, associated piping, pumps and ancillary equipment)	$25,000	Georgia EPD[3]
Annual cost to maintain existing Stage II systems (average size GDF)	$3,000 per year	EPA
Maintenance and testing of Stage II systems	~$3,000 Annually	Georgia EPD stakeholder meeting, April 2013
Cost of additional Stage II dispensers at an existing facility	~$3,200	Georgia EPD stakeholder meeting, April 2013
Cost Stage II systems at a new facility	~$32,000	Georgia EPD stakeholder meeting, April 2013

2 U. S. EPA, *Guidance on Removing Stage II Gasoline Vapor Control Programs from State Implementation Plans and Assessing Comparable Measures*. August 7, 2012.

3 Georgia Department of Natural Resources, Environmental Protection Division, Air Protection Branch, *Draft Revision to the Georgia State Implementation Plan for the Removal of Georgia Rule 391-3-1-.02(zz) Gasoline Dispensing Facilities – Stage II*. September 25, 2014.