

**Coverage:** Agency-wide

**Policy Number:**

**Authorized:** Thomas W. Easterly, Commissioner

**Subject:** Stage II Vapor Recovery for E85 Fuel Blends

**Supersedes:** New

**Office:** Office of Air Quality

**Effective:**

**Renewed/Revised:**

**Disclaimer:** *This nonrule policy document is intended solely as guidance and does not have the effect of law or represent formal Indiana Department of Environmental Management (IDEM) decisions or final actions. This nonrule policy document shall be used in conjunction with applicable laws. It does not replace applicable laws, and, if it conflicts with these laws, the laws shall control. This nonrule policy document may be put into effect by IDEM 30 days after presentation to the appropriate board. Pursuant to [IC 13-14-11.5](#), this policy will be available for public inspection for at least 45 days prior to presentation to the appropriate board. If the nonrule policy is presented to more than one board, it will be effective 30 days after presentation to the last. IDEM will submit the policy to the Indiana Register for publication. Revisions to the policy will follow the same procedure of presentation to the board and publication.*

## 1. PURPOSE

The purpose of this nonrule policy document is to clarify the applicability of [326 IAC 8-4-6\(d\)](#) through [326 IAC 8-4-6\(l\)](#) regarding Stage II vapor recovery system requirements as well as compliance expectations at gasoline dispensing facilities where 85% ethanol and 15% gasoline blended fuel (E85) is dispensed. All gasoline dispensing facilities with a dispensed volume of at least 10,000 gallons of gasoline or gasoline blended fuel per month located in Clark, Floyd, Lake, or Porter counties, Indiana are subject to [326 IAC 8-4-6\(d\)](#) through [326 IAC 8-4-6\(l\)](#). However, IDEM will not enforce the requirement to install Stage II vapor recovery equipment used exclusively for dispensing E85 blended fuel. This is consistent with U.S. EPA's memorandum, "Removal of Stage II Vapor Recovery in Situations Where Widespread Use of Onboard Refueling Vapor Recovery is Demonstrated", dated December 12, 2006.

The Clean Air Act Amendments (CAAA) of 1990 require all gasoline dispensing facilities located in areas classified as extreme, severe, serious, or moderate nonattainment of the 1-hour ozone standard, to have Stage II vapor recovery systems in place and operational. This requirement was implemented for Clark, Floyd, Lake, and Porter counties in Indiana in [326 IAC 8-4-6\(d\)](#) through [326 IAC 8-4-6\(l\)](#). The provision at [326 IAC 8-4-6\(e\)\(1\)](#) requires that all vapor collection and control systems must be certified by the California Air Resources Board (CARB). However, at this time, there are no CARB certified Stage II vapor recovery systems specific to the dispensing of E85 fuel. Therefore, gasoline dispensing facilities in Indiana are unable to meet the Stage II vapor recovery requirements of the Indiana rule as it relates to the dispensing of E85 blended fuel. Since the majority of E85 fuel capable vehicles have onboard refueling vapor recovery systems installed, U.S. EPA will allow states flexibility to exempt E85 refueling equipment from Stage II vapor recovery requirements, consistent with its December 12, 2006, memo. Until such time that IDEM completes a rule change in regards to this issue, IDEM will apply the policy contained within this nonrule policy document to Stage II vapor recovery systems used exclusively to dispense E85 blended fuel.

## 2. SCOPE

This nonrule policy applies to equipment used exclusively for dispensing E85 blended fuel at gasoline dispensing facilities with a dispensed volume of at least 10,000 gallons of gasoline or gasoline blended fuel per month located in Clark, Floyd, Lake, and Porter counties, Indiana.

This policy will guide compliance inspections and enforcement activities of the Office of Air Quality and the Office of Enforcement at these facilities.

## 3. SUMMARY

This nonrule policy document clarifies that Stage II vapor recovery system requirements do not apply to equipment used exclusively for dispensing E85 blended fuel.

## 4. DEFINITIONS

E85 means motor fuel blends of 85 percent ethanol and 15 percent gasoline.

Stage II vapor recovery system means any system certified by CARB which limits the discharge to the atmosphere of motor vehicle fuel vapor displaced during the dispensing of motor vehicle fuel into motor vehicle fuel tanks.

## 5. ROLES

The Office of Air Quality Compliance Branch, its contractors, and regional office air compliance staff shall be responsible for the inspection and review of compliance at all gasoline dispensing facilities currently operating in Clark, Floyd, Lake, and Porter counties.

The Office of Air Quality Compliance Branch, its contractors, regional office air compliance staff, and the Office of Enforcement shall be responsible for implementation of this policy.

## 6. POLICY

Indiana's rule ([326 IAC 8-4](#)) contains vapor recovery requirements for gasoline dispensing facilities in Indiana. Section 8-4-6(d) applies Stage II vapor recovery systems specifically to gasoline dispensing facilities located in Clark, Floyd, Lake, and Porter counties, Indiana. IDEM will not enforce the requirement to install Stage II vapor recovery equipment used exclusively for dispensing E85 blended fuel provided the following:

1. The pump shall be used only for the dispensing of E85 blended fuel. No other gasoline fuel blend shall be used for dispensing in conjunction with E85 blended fuel.
2. All gasoline dispensing facilities operating in Clark, Floyd, Lake, and Porter counties shall continue to have Stage II vapor recovery systems installed and operational on all conventional gasoline dispensing equipment.
3. In the event of an inspection, IDEM may request records that document the location of E85 blended fuel dispensers and E85 blended fuel delivery receipts. For dispensers that pump conventional gasoline, IDEM may conduct a traditional Stage II inspection to determine compliance with the requirements of [326 IAC 8-4-6](#).

This nonrule policy shall expire upon completion of a rulemaking that exempts E85 dispensing equipment from the Stage II vapor recovery requirements.

## 7. REFERENCES

U.S. EPA Memorandum, "Removal of Stage II Vapor Recovery in Situations Where Widespread Use of Onboard Refueling Vapor Recovery is Demonstrated", U.S. EPA Office of Air Quality Planning and Standards, December 12, 2006.

## 8. SIGNATURES

---

Thomas W. Easterly, Commissioner

---

Date

This policy is consistent with agency requirements.

---

IDEM Quality Assurance Manager

---

Date

*Posted: 06/27/2007 by Legislative Services Agency*  
An [html](#) version of this document.