



INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

We Protect Hoosiers and Our Environment.

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Michael R. Pence
Governor

Thomas W. Easterly
Commissioner

April 27, 2015

Ms. Susan Hedman
Regional Administrator
U.S. Environmental Protection Agency
Region 5
77 West Jackson Boulevard
Chicago, IL 60604-3950

Re: State Implementation Plan Revision for
Clark/Floyd Counties and Lake/Porter
Counties, Indiana for Removal of Stage II
Vapor Recovery Systems

Dear Ms. Hedman:

The Indiana Department of Environmental Management (IDEM) has prepared a revision to the State Implementation Plan (SIP) for Clark and Floyd counties in southern Indiana and Lake and Porter counties in northwest Indiana in conjunction with Stage II Vapor Recovery Systems (VRS) and a non-interference demonstration consistent with Section 110(l) of the Clean Air Act to support the discontinuation of Stage II VRS for these counties.

This amendment consists of revisions to existing rule at 326 IAC 8-4-1 and 326 IAC 8-4-6 accomplished through one rulemaking. IDEM requests that the United States Environmental Protection Agency (U.S. EPA) approve 326 IAC 8-4-1 and 326 IAC 8-4-6. IDEM is not requesting any action be taken on 326 IAC 2-11-2.

This submittal consists of one (1) hard copy of the required documentation. An electronic version of the submittal in PDF format that is identical to the hard copy has been sent to Chris Panos at the U.S. EPA Region 5 office. In order to assist with your review of this state implementation plan submission, a list of supporting documents is attached. I request that U.S. EPA approve this modification of Indiana's state implementation plan.

IDEM provided an opportunity for a public hearing concerning the draft *Request for State Implementation Plan Revision to Remove Stage II Gasoline Vapor Recovery Systems Clark, Floyd, Lake, and Porter Counties, Indiana*, if a request for a public hearing was received by April 8, 2015. A hearing was tentatively scheduled for April 15, 2015. No request for a public hearing was received and the hearing was cancelled.

Ms. Hedman
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IDEM received no comments during the public comment period either, which concluded April 22, 2015.

Attached hereto are the rulemaking documents for the SIP revision and the non-interference demonstration. The attached documents consist of the following:

Attachment A: Administrative Checklist (40 CFR 51, Appendix V)

Attachment B: Final Rule. LSA Document #12-636(F) as published in the Indiana Register on March 4, 2015, DIN: 20150304-IR-326120636FRA

Attachment C: Signature Page

Attachment D: Second Notice, including the Notice of Public Hearing, as published in the Indiana Register on November 27, 2013 (DIN: 20131127-IR-326120636SNA)

Attachment E: Certificates of Web Publication

Attachment F: Transcript of First Public Hearing held on September 10, 2014

Attachment G: Proposed Rule, including the Notice of Public Hearing, as published in the Indiana Register on October 1, 2014 (DIN: 20141001-IR-326120636PRA)

Attachment H: Transcript of Second Public Hearing held on November 12, 2014

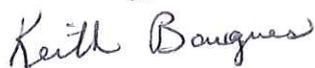
Attachment I: Technical Support Document for the SIP Revision for Clark and Floyd counties and Lake and Porter counties, Indiana; including a Section 110(I) non-interference demonstration.

With the following appendices:

- A. Indiana Widespread Use Analysis
- B. Offset Emissions Documentation
- C. Revocation of Part 70 Operating Permit for the State Line Energy Facility
- D. Facilities Requesting Exemption from Stage II Requirements Under Indiana Nonrule Policy Document Air-036
- E. Public Participation Process

If you have any questions or need additional information concerning this matter, please contact Mr. Brian Callahan at (317) 232-8244 or bcallaha@idem.IN.gov.

Sincerely,



Keith Baugues
Assistant Commissioner
Office of Air Quality

KB/bec
Enclosures

Ms. Hedman

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cc: Frank Acevedo, U.S. EPA Region 5 (w/ enclosures)
Carolyn Persoon, U.S. EPA Region 5 (w/ enclosures)
Steve Rosenthal, U.S. EPA Region 5 (no enclosures)
Scott Deloney, IDEM (w/ enclosures)
Brian Callahan, IDEM (w/ enclosures)
Christine Pedersen, IDEM (no enclosures)
File Copy

A

ADMINISTRATIVE CHECKLIST (40 CFR 51, Appendix V)

1. The submittal is accompanied by a formal letter of submittal from the governor or his designee. Enclosed
2. Evidence that the State has adopted the plan in the State code or body of regulations; or issued the permit, order, consent agreement (“document”); in final form. Attachment C
 - a. Date of adoption or final issuance: November 12, 2014
 - b. The effective date of the plan, if different from the adoption/issuance date. March 5, 2015
3. Evidence that the State has the necessary legal authority under state law to adopt and implement the plan. IC 13-14-8
4. A copy of the actual regulation or document submitted for approval and incorporation by reference into the plan, including the following: Attachment B
 - a. Indication of the changes made to the existing approved plan, where applicable.
 - b. The submittal shall be a copy of the official State regulation or document signed, stamped, dated by the appropriate state official indicating that it is fully enforceable by the State. Effective date shall be stated in the document itself.
5. Evidence that the State followed all of the procedural requirements of the State’s laws and constitution in conducting and completing the adoption/issuance of the plan. Attachment C
6. Evidence that public notice was given, including date of proof of publication. Attachments D, E, and G
 - Notice of First Public Hearing and Publisher’s Affidavits
 - Notice of Second Public Hearing and Publisher’s Affidavits
7. Certification that public hearings were held in accordance with information provided in public hearing notice. Attachments F and H
 - Transcript from First Public Hearing
 - Transcript from Second Public Hearing
8. Compilation of public comments and State’s response. Attachments D, F, G and H
 - Second Notice
 - Proposed Rule
9. Technical Support Document (if source specific change). Attachment I

B

TITLE 326 AIR POLLUTION CONTROL DIVISION

Final Rule
LSA Document #12-636(F)

DIGEST

Amends 326 IAC 2-11-2, 326 IAC 8-4-1, and 326 IAC 8-4-6 concerning stage II vapor recovery system requirements. Effective 30 days after filing with the Publisher.

HISTORY

First Notice of Comment Period: December 12, 2012, Indiana Register (DIN: 20121212-IR-326120636FNA).

Second Notice of Comment Period: November 27, 2013, Indiana Register (DIN: 20131127-IR-326120636SNA).

Notice of First Hearing: November 27, 2013, Indiana Register (DIN: 20131127-IR-326120636PHA).

Change in Notice of Public Hearing: January 29, 2014, Indiana Register (DIN: 20140129-IR-326120636CHA).

Change in Notice of Public Hearing: July 23, 2014, Indiana Register (DIN: 20140723-IR-326120636CHA).

Date of First Hearing: September 10, 2014.

Proposed Rule: October 1, 2014, Indiana Register (DIN: 20141001-IR-326120636PRA).

Notice of Second Hearing: October 1, 2014, Indiana Register (DIN: 20141001-IR-326120636PHA).

Third Comment Period: October 1, 2014, Indiana Register (DIN: 20141001-IR-326120636PHA).

Date of Second Hearing: November 12, 2014.

326 IAC 2-11-2; 326 IAC 8-4-1; 326 IAC 8-4-6

SECTION 1. 326 IAC 2-11-2 IS AMENDED TO READ AS FOLLOWS:

326 IAC 2-11-2 Gasoline dispensing operations

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 2. (a) This section applies to retail or commercial gasoline dispensing operations that:

- (1) meet the conditions specified in subsection (b); and
- (2) demonstrate compliance as specified in subsection (c).

(b) To limit potential to emit as provided in section 1(c) of this rule, ~~the following conditions are applicable to sources depending on their location:~~ **gasoline dispensing operations shall comply with the following conditions based on an average monthly throughput for the last twelve (12) months:**

(1) ~~For sources located in Clark or Floyd County, the source:~~

- (A) ~~fills its storage tanks by vapor-balanced fill;~~
- (B) ~~has a Stage II vapor recovery system; and~~
- (C) ~~dispenses less than five million three hundred seventy six thousand (5,376,000) gallons of gasoline during an average month based on the last twelve (12) months.~~

(2) ~~For sources located in Lake or Porter County, the source:~~

- (A) ~~fills its storage tanks by vapor-balanced fill;~~
- (B) ~~has a Stage II vapor recovery system; and~~
- (C) ~~dispenses less than one million three hundred forty four thousand (1,344,000) gallons of gasoline during an average month based on the last twelve (12) months.~~

(3) ~~For all other sources, the source uses:~~

(A) **(1) For the splash method for filling storage tanks, and dispenses the operation shall dispense less than six hundred eighty-eight thousand (688,000) gallons of gasoline.**

(B) **(2) For the submerged fill method for filling storage tanks, and dispenses the operation shall dispense less than eight hundred thirty-three thousand (833,000) gallons of gasoline.**

(C) **(3) For the vapor-balanced fill method for filling storage tanks, and dispenses the operation shall dispense less than one million two hundred eighty-two thousand (1,282,000) gallons of gasoline. or**

(D) **(4) For an operation that uses the fill vapor-balanced fill method for filling storage tanks, and has a stage II vapor recovery system, and dispenses the operation shall dispense less than five million three hundred seventy-six thousand (5,376,000) gallons of gasoline.**

~~during an average month based on the last twelve (12) months.~~

(c) ~~Sources~~ **Gasoline dispensing operations** electing to comply with this rule must be able to demonstrate compliance ~~no~~ **not** later than thirty (30) days after receipt of a written request by the department or the U.S. EPA, as follows:

- (1) The owner or operator of a gasoline dispensing ~~source~~ **operation** shall demonstrate compliance with subsection ~~(b)(3)(A), (b)(3)(B), or (b)(3)(C);~~ **(b)(1), (b)(2), or (b)(3)** as applicable.
- (2) The owner or operator of a gasoline dispensing ~~source~~ **subject to operation described in** subsection ~~(b)(3)(D)~~ **(b)(4)** and ~~326 IAC 8-4-6(a) through 326 IAC 8-4-6(d), 326 IAC 8-4-6(f), and 326 IAC 8-4-6(j) through 326 IAC 8-4-6(m);~~ **326 IAC 8-4-6.**
- (3) ~~The owner or operator of a gasoline dispensing source subject to subsection (b)(1) or (b)(2) shall demonstrate compliance with subsection (b)(1) or (b)(2), as applicable, and 326 IAC 8-4-6.~~

(Air Pollution Control Division; 326 IAC 2-11-2; filed May 7, 1997, 4:00 p.m.: 20 IR 2316; filed Aug 2, 2004, 3:25 p.m.: 27 IR 3956; filed Feb 5, 2015, 1:29 p.m.: 20150304-IR-326120636FRA)

SECTION 2. 326 IAC 8-4-1 IS AMENDED TO READ AS FOLLOWS:

326 IAC 8-4-1 Applicability

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 1. (a) All sections of this rule apply to sources ~~of the types as described in the applicable section of this rule and~~ located in the following counties:

- (1) Clark.
- (2) Elkhart.
- (3) Floyd.
- (4) Hendricks.
- (5) Lake.
- (6) Marion.
- (7) Porter.
- (8) St. Joseph.

(b) Sections 4 through 7 and 9 of this rule apply to sources ~~of the types as described in the applicable section of this rule and~~ located in the following counties:

- (1) Boone.
- (2) Dearborn.
- (3) Hamilton.
- (4) Hancock.
- (5) Harrison.
- (6) Johnson.
- (7) Morgan.
- (8) Shelby.

(c) Sections 2 through 5 and 7 through 9 of this rule apply to all new sources of the types described in this rule as of January 1, 1980.

(d) Section 6(a) and 6(b) of this rule apply to any gasoline storage tank at a gasoline dispensing facility with a monthly gasoline throughput of ten thousand (10,000) gallons per month or greater.

(e) **Unless a stage II vapor recovery system is decommissioned in accordance with section 6(d) of this rule, a gasoline dispensing facility with a stage II vapor recovery system in the following counties shall comply with section 6(c) of this rule:** ~~applies to gasoline dispensing facilities as described in section 6(c)(1) of this rule and located in:~~

- (1) Clark.
- (2) Floyd.
- (3) Lake. ~~or~~
- (4) Porter.

~~County.~~

(f) Section 6(d) of this rule applies to a gasoline dispensing facility with a stage II vapor recovery system that plans to decommission the stage II vapor recovery system.

(Air Pollution Control Division; 326 IAC 8-4-1; filed Mar 10, 1988, 1:20 p.m.: 11 IR 2538; filed Aug 11, 1989, 1:40 p.m.: 13 IR 7; filed Apr 23, 1999, 2:12 p.m.: 22 IR 2855; readopted filed Jan 10, 2001, 3:20 p.m.: 24 IR 1477; filed Apr 15, 2010, 4:05 p.m.: 20100512-IR-326070353FRA; filed Feb 5, 2015, 1:29 p.m.: 20150304-IR-326120636FRA)

SECTION 3. 326 IAC 8-4-6 IS AMENDED TO READ AS FOLLOWS:

326 IAC 8-4-6 Gasoline dispensing facilities

Authority: IC 13-14-8; IC 13-17-3-4

Affected: IC 13-12-3-1

Sec. 6. (a) The following definitions apply throughout this section:

- (1) "Average monthly volume" means the amount of motor fuel dispensed per month from a gasoline dispensing facility based upon a monthly average for a two (2) year period from November 1990 through October 1992, or, if not available, the monthly average for the most recent twelve (12) calendar months. Monthly averages shall include only those months when the facility was operating.
- (2) "CARB" means the California Air Resources Board.
- (3) "Certified" means any vapor collection and control system that has been tested and approved by CARB as having a vapor recovery and removal efficiency of at least ninety-five percent (95%) by weight.
- (4) "Constructed" means fabricated, erected, or installed and refers to any facility, emission source, or air pollution control equipment.
- (5) "Dynamic ~~backpressure~~ **pressure drop test**" means a test procedure used to determine the pressure drop (flow resistance) through vapor collection and control systems, including:
 - (A) nozzles;
 - (B) vapor hoses;
 - (C) swivels;
 - (D) dispenser piping; and
 - (E) underground piping;at prescribed flow rates. Test procedures for this test can be found in EPA 450/3-91-022b, "Technical Guidance—Stage II Vapor Recovery Systems for Control of Vehicle Refueling Emissions at Gasoline Dispensing Facilities".
- (6) "Employee" means any person who performs work for an employer for compensation.
- (7) "Facility" means any:
 - (A) building;
 - (B) structure;
 - (C) installation;
 - (D) operation; or
 - (E) combination located on contiguous properties and under common ownership;that provides for the dispensing of motor vehicle fuel.
- (8) "Gasoline dispensing facility" means any facility where gasoline is dispensed into motor vehicle fuel tanks or portable containers from a storage tank with a capacity of nine hundred forty-six (946) liters (two hundred fifty (250) gallons) or more. Diesel fuel and kerosene are not considered to be motor vehicle fuels.
- (9) "Independent small business marketer of gasoline" means a person engaged in the marketing of gasoline who:
 - (A) is not a refiner;
 - (B) does not control, is not controlled by, or is not under common control with a refiner;
 - (C) is not otherwise directly or indirectly affiliated with a refiner or a person who controls, is controlled by, or is under a common control with a refiner (unless the sole affiliation referred to in this subdivision 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); and
 - (D) receives less than fifty percent (50%) annual income from the marketing of gasoline.
- (10) "Liquid blockage test" means a test procedure used to detect low points in any vapor collection and control system where condensate may accumulate. Test procedures can be found in EPA 450/3-91-022b, "Technical Guidance—Stage II Vapor Recovery Systems for Control of Vehicle Refueling Emissions at Gasoline Dispensing Facilities".

- (11) "Modification" means any change, removal, or addition, other than a certified replacement of any component contained within the vapor collection system and control system.
- (12) "Motor vehicle" means any self-propelled vehicle powered by an internal combustion engine, including, but not limited to, the following:
- (A) Automobiles.
 - (B) Trucks.
 - (C) Motorcycles.
- (13) "Motor vehicle fuel" means any petroleum distillate having a Reid vapor pressure of more than four (4) pounds per square inch and that is used to power motor vehicles. Diesel fuel and kerosene are not considered to be motor vehicle fuels.
- (14) "Owner or operator" means any person who:
- (A) owns;
 - (B) leases;
 - (C) operates;
 - (D) manages;
 - (E) supervises; or
 - (F) controls;
- directly or indirectly, a gasoline dispensing facility.
- (15) "Pressure decay or leak test" means a test procedure used to quantify the vapor tightness of a vapor collection and control system installed at gasoline dispensing facilities. Test procedures can be found in EPA 450/3-91-022b, "Technical Guidance—Stage II Vapor Recovery Systems for Control of Vehicle Refueling Emissions at Gasoline Dispensing Facilities".
- (16) "Vapor collection and control systems" means any system certified by CARB that limits the discharge to the atmosphere of motor vehicle fuel vapor displaced during the dispensing of motor vehicle fuel into motor vehicle fuel tanks.

(b) Stage I vapor recovery system requirements at gasoline dispensing facilities are as follows:

- (1) No owner or operator of a gasoline dispensing facility shall allow the transfer of gasoline between any transport and any storage tank unless the tank is equipped with the following:
- (A) A submerged fill pipe that extends to not more than:
 - (i) twelve (12) inches from the bottom of the storage tank if the fill pipe was installed on or before November 9, 2006; or
 - (ii) six (6) inches from the bottom of the storage tank if the fill pipe was installed after November 9, 2006.
 - (B) Either a pressure relief valve set to release at not less than seven-tenths (0.7) pounds per square inch or an orifice of five-tenths (0.5) inch in diameter.
 - (C) A vapor balance system connected between the tank and the transport operating according to manufacturer's specifications.
- (2) If the owner or employees of the owner of a gasoline dispensing facility are not present during loading, it shall be the responsibility of the owner or the operator of the transport to make certain the vapor balance system is:
- (A) connected between the transport and the storage tank; and
 - (B) operating according to manufacturer's specifications.

(c) Stage II vapor recovery system requirements at gasoline dispensing facilities are as follows:

- (1) **Unless a stage II vapor recovery system is decommissioned in accordance with subsection (d), the provisions of subdivision (2) shall apply to any gasoline dispensing facility that has a stage II vapor recovery system and is located in any of the following counties:**
- (A) Clark.
 - (B) Floyd.
 - (C) Lake. or
 - (D) Porter. ~~County except if the gasoline dispensing facility:~~
 - (A) ~~dispenses an average monthly volume of less than ten thousand (10,000) gallons of gasoline per month;~~
 - or
 - (B) ~~is an independent small business marketer of gasoline who dispenses an average monthly volume of less than fifty thousand (50,000) gallons of gasoline per month.~~
- (2) ~~No~~ **An** owner or operator of a gasoline dispensing facility **with a stage II vapor recovery system** shall ~~cause or allow the dispensing of motor vehicle fuel at any time unless all motor vehicle fuel dispensing operations are equipped with and~~ utilize a certified vapor collection and control system that is properly installed and operated as follows:
- (A) ~~No~~ vapor collection and control system shall be ~~installed;~~ used or maintained unless the system

(f) has been certified by CARB. and

~~(f) meets the testing requirements specified in subdivision (7)(F).~~

(B) Any vapor collection and control system utilized shall be maintained in accordance to its certified configuration and with the manufacturer's specification and maintenance schedule.

(C) No elements or components of a vapor collection and control system shall be:

(i) modified;

(ii) removed;

(iii) replaced; or

(iv) otherwise rendered inoperative;

in a manner that prevents the system from performing in accordance with its certification and design specifications.

(D) A vapor collection and control system shall not be operated with defective, malfunctioning, missing, or noncertified components. The following requirements apply to a vapor collection and control system:

(i) All parts of the system that can be visually inspected must be checked daily by the operator of the facility for the following malfunctions:

(AA) Absence or disconnection of any component required to be used to certify the system.

(BB) A vapor hose that is crimped or flattened such that the vapor passage is blocked or severely restricted.

(CC) A nozzle boot that is torn in either of the following manners:

(aa) A triangular shaped or similar tear one-half (1/2) inch or more to a side or a hole one-half (1/2) inch or more in diameter or length.

(bb) Slit one (1) inch or more in length.

(DD) A faceplate or flexible cone that is damaged in the following manner:

(aa) For balance nozzles and nozzles for aspirator and educator assist type systems, damage shall be such that the capability to achieve a seal with a fill pipe interface is affected for one-fourth (1/4) of the circumference of the faceplate (accumulated).

(bb) For nozzles for vacuum assist type systems that use a flexible cone, having more than one-fourth (1/4) of the flexible cone missing.

(EE) A nozzle shutoff mechanism that malfunctions in any manner.

(FF) A vacuum producing device that is inoperative.

(ii) Any defect in the system that is discovered in item (i) will require the immediate shutdown of the affected pumps until proper repairs are made.

(iii) A signed daily log of the daily inspection in item (i) shall be maintained at the facility.

(iv) One (1) operator or employee of the gasoline dispensing facility shall be trained and instructed annually in the proper operation and maintenance of a vapor collection and control system.

(v) Instructions shall:

(AA) be posted in a conspicuous and visible place within the motor vehicle fuel dispensing area for the system in use at that station;

(BB) clearly describe how to fuel vehicles correctly with the vapor recovery nozzles utilized at that station; and

(CC) include a warning that repeated attempts to continue dispensing motor vehicle fuel after the system has indicated that the vehicle fuel tank is full may result in a spillage of fuel.

~~(3) Facilities subject to the requirements of subdivision (2) shall demonstrate compliance according to the following schedule:~~

~~(A) Six (6) months after promulgation in the case of gasoline dispensing facilities for which construction commenced after the date of enactment of the Clean Air Act Amendments of 1990 (November 15, 1990).~~

~~(B) One (1) year after promulgation in the case of gasoline dispensing facilities that dispense at least one hundred thousand (100,000) gallons of gasoline per month, based on average monthly sales for the two (2) year period prior to November 15, 1992.~~

~~(C) Two (2) years after promulgation in the case of all other gasoline dispensing facilities.~~

~~(D) Any gasoline dispensing facility described in both clauses (A) and (B) shall meet the requirements of clause (A).~~

~~(E) New facilities constructed after the promulgation of this rule shall comply with the requirements of subdivision (2) upon startup of the facility.~~

~~(F) Existing facilities previously exempted from, but that become subject to, the requirements of subdivision (2) shall comply with the requirements of subdivision (2) within one (1) year from the date the facility became subject.~~

~~(4) Any gasoline dispensing facility that becomes subject to the provisions of subdivision (2) at any time shall remain subject to the provisions of subdivision (2) at all times.~~

~~(5) (3) Any gasoline dispensing facility subject to subdivision (2) shall retain copies of all records and reports adequate to clearly demonstrate the following:~~

- (A) That a certified vapor collection and control system has been installed and tested to verify its performance according to its specifications.
- (B) That proper maintenance has been conducted in accordance with the manufacturer's specifications and requirements.
- (C) The time period and duration of all malfunctions of the vapor collection and control system.
- (D) The motor vehicle fuel throughput of the facility for each calendar month of the previous year.
- (E) That operators and employees are trained and instructed in the proper operation and maintenance of the vapor collection and control system.

~~(6)~~ (4) All records and reports required in subdivision ~~(5)~~ (3) shall be made available to the department upon request. All records shall be retained for a period of two (2) years.

~~(7)~~ Within forty-five (45) days after the installation of a vapor collection and control system, the owner or operator of the gasoline dispensing facility shall submit to the department a registration form, which shall be provided by the department of environmental management, office of air quality, that provides, at a minimum, the following:

- ~~(A)~~ The name, address, and telephone number of the facility.
- ~~(B)~~ The signature of the owner or operator.
- ~~(C)~~ The CARB executive order number for the vapor collection and control system to be utilized.
- ~~(D)~~ The number of nozzles, excluding diesel and kerosene, used for motor vehicle refueling.
- ~~(E)~~ The monthly average volume of motor vehicle fuel dispensed.
- ~~(F)~~ The date of completion of installation of the vapor collection and control system. Completion of installation includes the successful passing of a vapor leakage and blockage test. A vapor leakage and blockage test must, at a minimum, include the following:
 - (i) A pressure decay or leak test.
 - (ii) A dynamic pressure drop test.
 - (iii) A liquid blockage test.

The results of these tests must be submitted with the registration form specified in this subdivision.

~~(8)~~ (5) All vapor collection and control systems shall be retested for vapor leakage and blockage, and successfully pass the test, at least every five (5) years or upon major system replacement or modification. A major system modification is considered to be replacing, repairing, or upgrading seventy-five percent (75%) or more of a vapor collection and control system of a facility.

(d) A stage II vapor recovery system at a gasoline dispensing facility in Clark, Floyd, Lake, or Porter counties must be maintained in accordance with subsection (c), unless the owner or operator decommissions the stage II vapor recovery system as follows:

- (1) The owner or operator shall notify the department of the intent to decommission the stage II vapor recovery system.
- (2) The owner or operator shall decommission the stage II vapor recovery system in accordance with section 14 of the 2009 "Recommended Practices for Installation and Testing of Vapor Recovery Systems at Vehicle Refueling Sites"* of the Petroleum Equipment Institute.
- (3) The owner or operator shall complete decommissioning within one hundred (100) calendar days from notification to the department.

(e) After the effective date of this rule, a stage II vapor recovery system is not required in Clark, Floyd, Lake, or Porter counties for:

- (1) a new gasoline dispensing facility; or
- (2) an existing gasoline dispensing facility that has been decommissioned in accordance with subsection (d).

~~(d)~~ (f) Upon request by the department, the owner or operator of a gasoline dispensing facility that claims to be exempt from the requirements of this section shall submit records to the agency within thirty (30) calendar days from the date of the request that demonstrate that the gasoline dispensing facility is in fact exempt.

~~*This document is~~ *These documents are incorporated by reference. Copies are available for review and copying at the Indiana Department of Environmental Management, Office of Air Quality, Legal Counsel, Indiana Government Center North, ~~Fifth~~ Thirteenth Floor, 100 North Senate Avenue, Indianapolis, Indiana 46204.

(Air Pollution Control Division; 326 IAC 8-4-6; filed Mar 10, 1988, 1:20 p.m.: 11 IR 2540; filed Aug 11, 1989, 1:40 p.m.: 13 IR 8; filed Nov 30, 1990, 4:20 p.m.: 14 IR 605; filed Oct 28, 1993, 5:00 p.m.: 17 IR 332; filed Sep 18, 1995, 3:00 p.m.: 19 IR 203; errata filed Dec 11, 1995, 3:00 p.m.: 19 IR 674; filed Jul 30, 1996, 2:00 p.m.: 19 IR 3349; errata filed Feb 18, 1997, 4:00 p.m.: 20 IR 1738; readopted filed Jan 10, 2001, 3:20 p.m.: 24 IR 1477; filed

Aug 26, 2004, 11:30 a.m.: 28 IR 47; filed Apr 15, 2010, 4:05 p.m.: 20100512-IR-326070353FRA; filed Feb 5, 2015, 1:29 p.m.: 20150304-IR-326120636FRA)

LSA Document #12-636(F)

Proposed Rule: 20141001-IR-326120636PRA

Hearing Held: November 12, 2014

Approved by Attorney General: January 21, 2015

Approved by Governor: January 29, 2015

Filed with Publisher: February 5, 2015, 1:29 p.m.

Documents Incorporated by Reference: None Received by Publisher

Small Business Regulatory Coordinator: Jessica Faust-Hamblin, IDEM Small Business Regulatory Coordinator, IGCN 1225, 100 North Senate Avenue, Indianapolis, IN 46204-2251, (317) 232-8172 or (800) 988-7901, ctap@idem.in.gov

Small Business Assistance Program Ombudsman: Steven N. Howell, IDEM Small Business Assistance Program Ombudsman, IGCN 1301, 100 North Senate Avenue, Indianapolis, IN 46204-2251, (317) 232-8587 or (800) 451-6027, snhowell@idem.in.gov

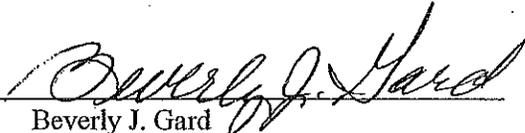
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Rule Signature Page

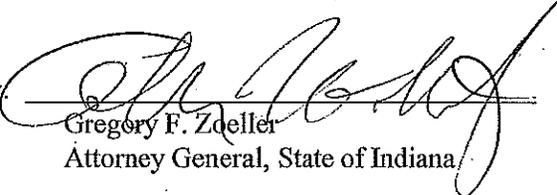
Rule #: LSA Document #12-636(F)
Agency: Environmental Rules Board
Subject: Stage II Vapor Recovery

ADOPTED:

By: 
Beverly J. Gard
Chairperson, Environmental Rules Board

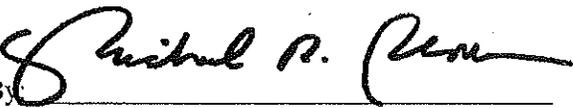
Date: 11-19-2014

APPROVED AS TO FORM AND LEGALITY:

By: 
Gregory F. Zoeller
Attorney General, State of Indiana

Date: 1/21/15

APPROVED:

By: 
Michael R. Pence
Governor, State of Indiana

Date: 1/29/15

ACCEPTED FOR FILING:

By: TITLE 326 AIR POLLUTION CONTROL DIVISION

LSA Document #12-636(FR)

Filed with Publisher: February 5, 2015, 1:29 p.m.

By: RLW

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TITLE 326 AIR POLLUTION CONTROL DIVISION

SECOND NOTICE OF COMMENT PERIOD

LSA Document #12-636

STAGE II VAPOR RECOVERY SYSTEM REQUIREMENTS

PURPOSE OF NOTICE

The Indiana Department of Environmental Management (IDEM) has developed draft rule language for amendments to rules at 326 IAC 2-11-2 and 326 IAC 8-4-6 concerning Stage II vapor recovery system requirements. IDEM seeks comment on the affected citations listed and any other provisions of Title 326 that may be affected by this rulemaking.

HISTORY

First Notice of Comment Period: December 12, 2012, Indiana Register (DIN: 20121212-IR-326120636FNA).

CITATIONS AFFECTED: 326 IAC 2-11-2; 326 IAC 8-4-1; 326 IAC 8-4-6.

AUTHORITY: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-14.

SUBJECT MATTER AND BASIC PURPOSE OF RULEMAKING

Basic Purpose and Background

Under Section 182(b)(3) of the Clean Air Act (CAA), a Stage II vapor recovery system (Stage II) is required to be used at gasoline dispensing facilities that sell more than 10,000 gallons of gasoline per month or 50,000 gallons of gasoline per month in the case of independent small business marketers of gasoline located in ozone nonattainment areas classified as serious, severe, or extreme. Stage II is designed to control gasoline vapors, which are emitted when partially empty gas tanks are filled with liquid gasoline that can react with sunlight, nitrogen oxides, and other volatile organic compounds to form ozone.

The United States Environmental Protection Agency (U.S. EPA) published onboard refueling vapor recovery (ORVR) standards in the Federal Register (FR) on April 6, 1994 (59 FR 16262). ORVR consists of an activated carbon canister installed on a vehicle into which vapors are routed from the vehicle fuel tank during refueling. The vapors are captured by the activated carbon canister and prevented from escaping the fuel tank fill pipe by use of a seal. The ORVR standards were implemented on a progressive schedule, and, by 2006, all new gasoline-powered vehicles with a gross vehicle weight rating of less than 14,000 pounds were equipped with ORVR technology. U.S. EPA estimates that by the end of 2012, more than 71 percent of vehicles on the road were equipped with ORVR.

Section 202(a)(6) of the CAA provides U.S. EPA discretionary authority to revise or waive the Stage II requirements in Section 182(b)(3) for areas classified under Section 181 as serious, severe, or extreme for ozone, as appropriate, if it is determined that ORVR is in widespread use. On May 16, 2012, U.S. EPA determined that ORVR technology is in widespread use throughout the motor vehicle fleet for purposes of controlling motor vehicle refueling emissions (77 FR 28772). Since 2006, ORVR has been a required control on nearly all new highway vehicles. Stage II and ORVR emission control systems are redundant, and U.S. EPA has determined that emission reductions from ORVR are equitable and will soon surpass the emission reductions achieved by Stage II requirements. U.S. EPA has thus waived the requirement for states to implement Stage II at gasoline dispensing facilities in nonattainment areas classified as serious and above for the ozone national ambient air quality standards (NAAQS), providing certain conditions are met.

Using the guidance provided by U.S. EPA, "Guidance on Removing Stage II Gasoline Vapor Control Programs from State Implementation Plans and Assessing Comparable Measures", EPA-457/B-12-001, August 7, 2012, IDEM conducted an emissions inventory analysis to develop a revision to the State Implementation Plan to phase out or remove Stage II requirements in the former serious ozone nonattainment areas (Clark County and Floyd County), and severe ozone nonattainment areas (Lake County and Porter County). To meet existing federal requirements, Stage II cannot be removed if it would interfere with attainment of the NAAQS, reasonable further progress toward attainment, or any other applicable requirement of the CAA. IDEM's analysis determined that these requirements could be met by removing Indiana's Stage II requirements in 2016. IDEM is proposing removal of the Stage II vapor recovery system requirements for Clark, Floyd, Lake, and Porter counties on April 1, 2016, to coincide with the start of the ozone season.

This rulemaking will amend rules concerning permitting by rule for specific source categories, including gasoline dispensing operations at 326 IAC 2-11-2, reflect the addition of new applicability language in 326 IAC 8-4-1, and include rules concerning petroleum sources, including gasoline dispensing facilities at 326 IAC 8-4-6. Specifically, applicability of Stage II vapor recovery requirements and references will be revised in a manner consistent with U.S. EPA guidance and the results of IDEM's analysis specific to Indiana. IDEM is requesting

comment on the removal of the Stage II vapor recovery requirements effective April 1, 2016.

IC 13-14-9-4 Identification of Restrictions and Requirements Not Imposed under Federal Law

No element of the draft rule imposes either a restriction or a requirement on persons to whom the draft rule applies that is not imposed under federal law. U.S. EPA waived the Stage II vapor recovery system requirements effective May 16, 2012, allowing states the autonomy to remove the requirements from state rules.

Potential Fiscal Impact

Removal of Stage II vapor recovery system requirements will reduce costs for gas station owners and operators installing new equipment after April 1, 2016. This rule additionally could require gas station owners to remove the Stage II vapor recovery systems sooner than would otherwise have been planned, resulting in an unplanned cost to gas station owners and operators.

Public Participation and Work Group Information

No work group is planned for the rulemaking. If you feel that a work group or other informal discussion on the rule is appropriate, please contact Christine Pedersen, Rules Development Branch, Office of Legal Counsel at (317) 233-5684 or (800) 451-6021 (in Indiana).

SUMMARY/RESPONSE TO COMMENTS FROM THE FIRST COMMENT PERIOD

IDEM requested public comment from December 12, 2012, through January 11, 2013, on alternative ways to achieve the purpose of the rule and suggestions for the development of draft rule language. IDEM received comments from the following parties by the comment period deadline:

Indiana Petroleum Marketers & Convenience Store Association (IPCA)

Following is a summary of the comments received and IDEM's responses thereto:

Comment: IPCA is responding on behalf of its members. IPCA represents over 135 companies who own, operate, and supply fuel to the majority of retail fueling establishments throughout Indiana. IPCA and its members support the rulemaking as proposed. (IPCA)

Response: IDEM appreciates IPCA's participation and comments in this rulemaking.

REQUEST FOR PUBLIC COMMENTS

This notice requests the submission of comments on the draft rule language, including suggestions for specific revisions to language to be contained in the draft rule. Comments may be submitted in one of the following ways:

(1) By mail or common carrier to the following address:

LSA Document #12-636 Stage II Vapor Recovery
Christine Pedersen
Rules Development Branch
Office of Legal Counsel
Indiana Department of Environmental Management
100 North Senate Avenue
Mail Code 61-50
Indianapolis, IN 46204-2251

(2) By facsimile to (317) 233-5967. Please confirm the timely receipt of faxed comments by calling the Rules Development Branch at (317) 234-6530.

(3) By electronic mail to cpedersen@idem.in.gov. To confirm timely delivery of submitted comments, please request a document receipt when sending the electronic mail. **PLEASE NOTE: Electronic mail comments will NOT be considered part of the official written comment period unless they are sent to the email address indicated in this notice.**

(4) Hand delivered to the receptionist on duty at the thirteenth floor reception desk, Office of Legal Counsel, Indiana Government Center North, 100 North Senate Avenue, Indianapolis, Indiana.

Regardless of the delivery method used, in order to properly identify each comment with the rulemaking action it is intended to address, each comment document must clearly specify the LSA document number of the rulemaking.

COMMENT PERIOD DEADLINE

All comments must be postmarked, faxed, or time stamped no later than December 27, 2013. Hand-delivered comments must be delivered to the appropriate office by 4:45 p.m. on the above-listed deadline date.

Additional information regarding this action may be obtained from Christine Pedersen, Rules Development Branch, Office of Legal Counsel, (317) 233-5684 or (800) 451-6027 (in Indiana).

DRAFT RULE

SECTION 1. 326 IAC 2-11-2 IS AMENDED TO READ AS FOLLOWS:

326 IAC 2-11-2 Gasoline dispensing operations

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 2. (a) This section applies to retail or commercial gasoline dispensing operations that:

- (1) meet the conditions specified in subsection (b); and
- (2) demonstrate compliance as specified in subsection (c).

(b) To limit potential to emit as provided in section 1(c) of this rule, ~~the following conditions are applicable to sources depending on their location:~~ **gasoline dispensing operations shall comply with the following conditions during an average month based on the last twelve (12) months:**

(1) For sources located in Clark or Floyd County, the source:

- (A) fills its storage tanks by vapor-balanced fill;
- (B) has a Stage II vapor recovery system; and
- (C) dispenses less than five million three hundred seventy six thousand (5,376,000) gallons of gasoline during an average month based on the last twelve (12) months.

(2) For sources located in Lake or Porter County, the source:

- (A) fills its storage tanks by vapor-balanced fill;
- (B) has a Stage II vapor recovery system; and
- (C) dispenses less than one million three hundred forty four thousand (1,344,000) gallons of gasoline during an average month based on the last twelve (12) months.

(3) For all other sources, the source uses:

(A) ~~(1) For the splash method for filling storage tanks, and dispenses the operation shall dispense less than six hundred eighty-eight thousand (688,000) gallons of gasoline.~~

~~(B) (2) For the submerged fill method for filling storage tanks, and dispenses the operation shall dispense less than eight hundred thirty-three thousand (833,000) gallons of gasoline.~~

~~(C) (3) For the vapor-balanced fill method for filling storage tanks, and dispenses the operation shall dispense less than one million two hundred eighty-two thousand (1,282,000) gallons of gasoline. or~~

~~(D) (4) For an operation that uses the fill vapor-balanced fill method for filling storage tanks, and has a Stage II vapor recovery system, and dispenses the operation shall dispense less than five million three hundred seventy-six thousand (5,376,000) gallons of gasoline.~~

~~during an average month based on the last twelve (12) months.~~

(c) Sources ~~Gasoline dispensing operations~~ electing to comply with this rule must be able to demonstrate compliance ~~no~~ **not** later than thirty (30) days after receipt of a written request by the department or the U.S. EPA, as follows:

(1) The owner or operator of a gasoline dispensing source ~~operation~~ shall demonstrate compliance with subsection (b)(3)(A), (b)(3)(B), or (b)(3)(C), **(b)(1), (b)(2), or (b)(3)** as applicable.

(2) The owner or operator of a gasoline dispensing source ~~subject to operation described in subsection (b)(3)(D)~~ **(b)(4)** shall demonstrate compliance with subsection (b)(3)(D) **(b)(4)** and ~~326 IAC 8-4-6(a) through 326 IAC 8-4-6(d), 326 IAC 8-4-6(f), and 326 IAC 8-4-6(j) through 326 IAC 8-4-6(m).~~ **326 IAC 8-4-6.**

(3) The owner or operator of a gasoline dispensing source ~~subject to subsection (b)(1) or (b)(2)~~ shall demonstrate compliance with subsection (b)(1) or (b)(2), as applicable, and ~~326 IAC 8-4-6.~~

(Air Pollution Control Division; 326 IAC 2-11-2; filed May 7, 1997, 4:00 p.m.: 20 IR 2316; filed Aug 2, 2004, 3:25 p.m.: 27 IR 3956)

SECTION 2. 326 IAC 8-4-1 IS AMENDED TO READ AS FOLLOWS:

326 IAC 8-4-1 Applicability

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 1. (a) All sections of this rule apply to sources of the types described in this rule located in the following counties:

- (1) Clark.
- (2) Elkhart.
- (3) Floyd.

- (4) Hendricks.
- (5) Lake.
- (6) Marion.
- (7) Porter.
- (8) St. Joseph.

(b) Sections 4 through 7 and 9 of this rule apply to sources of the types described in this rule located in the following counties:

- (1) Boone.
- (2) Dearborn.
- (3) Hamilton.
- (4) Hancock.
- (5) Harrison.
- (6) Johnson.
- (7) Morgan.
- (8) Shelby.

(c) Sections 2 through 5 and 7 through 9 of this rule apply to all new sources of the types described in this rule as of January 1, 1980.

(d) Section 6(a) and 6(b) of this rule apply to any gasoline storage tank at a gasoline dispensing facility with a monthly gasoline throughput of ten thousand (10,000) gallons per month or greater.

(e) **Until April 1, 2016, either section 6(c) or 6(d) of this rule applies apply** to gasoline dispensing facilities as described in section 6(c)(1) of this rule and located in **the following counties:**

- (1) Clark.
- (2) Floyd.
- (3) Lake. or
- (4) Porter.

County:

(f) Section 6(d) of this rule applies to gasoline dispensing facilities described in section 6(c)(1) of this rule that decommission Stage II recovery systems prior to April 1, 2016.

(Air Pollution Control Division; 326 IAC 8-4-1; filed Mar 10, 1988, 1:20 p.m.: 11 IR 2538; filed Aug 11, 1989, 1:40 p.m.: 13 IR 7; filed Apr 23, 1999, 2:12 p.m.: 22 IR 2855; readopted filed Jan 10, 2001, 3:20 p.m.: 24 IR 1477; filed Apr 15, 2010, 4:05 p.m.: 20100512-IR-326070353FRA).

SECTION 3. 326 IAC 8-4-6 IS AMENDED TO READ AS FOLLOWS:

326 IAC 8-4-6 Gasoline dispensing facilities

Authority: IC 13-14-8; IC 13-17-3-4

Affected: IC 13-12-3-1

Sec. 6. (a) The following definitions apply throughout this section:

- (1) "Average monthly volume" means the amount of motor fuel dispensed per month from a gasoline dispensing facility based upon a monthly average for a two (2) year period from November 1990 through October 1992, or, if not available, the monthly average for the most recent twelve (12) calendar months. Monthly averages shall include only those months when the facility was operating.
- (2) "CARB" means the California Air Resources Board.
- (3) "Certified" means any vapor collection and control system that has been tested and approved by CARB as having a vapor recovery and removal efficiency of at least ninety-five percent (95%) by weight.
- (4) "Constructed" means fabricated, erected, or installed and refers to any facility, emission source, or air pollution control equipment.
- (5) "Dynamic backpressure pressure drop test" means a test procedure used to determine the pressure drop (flow resistance) through vapor collection and control systems, including:
 - (A) nozzles;
 - (B) vapor hoses;

- (C) swivels;
- (D) dispenser piping; and
- (E) underground piping;

at prescribed flow rates. Test procedures for this test can be found in EPA 450/3-91-022b, "Technical Guidance—Stage II Vapor Recovery Systems for Control of Vehicle Refueling Emissions at Gasoline Dispensing Facilities"*.

(6) "Employee" means any person who performs work for an employer for compensation.

(7) "Facility" means any:

- (A) building;
- (B) structure;
- (C) installation;
- (D) operation; or
- (E) combination located on contiguous properties and under common ownership;

that provides for the dispensing of motor vehicle fuel.

(8) "Gasoline dispensing facility" means any facility where gasoline is dispensed into motor vehicle fuel tanks or portable containers from a storage tank with a capacity of nine hundred forty-six (946) liters (two hundred fifty (250) gallons) or more. Diesel fuel and kerosene are not considered to be motor vehicle fuels.

(9) "Independent small business marketer of gasoline" means a person engaged in the marketing of gasoline who:

- (A) is not a refiner;
- (B) does not control, is not controlled by, or is not under common control with a refiner;
- (C) is not otherwise directly or indirectly affiliated with a refiner or a person who controls, is controlled by, or is under a common control with a refiner (unless the sole affiliation referred to in this subdivision 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); and
- (D) receives less than fifty percent (50%) annual income from the marketing of gasoline.

(10) "Liquid blockage test" means a test procedure used to detect low points in any vapor collection and control system where condensate may accumulate. Test procedures can be found in EPA 450/3-91-022b, "Technical Guidance—Stage II Vapor Recovery Systems for Control of Vehicle Refueling Emissions at Gasoline Dispensing Facilities"*.

(11) "Modification" means any change, removal, or addition, other than a certified replacement of any component contained within the vapor collection system and control system.

(12) "Motor vehicle" means any self-propelled vehicle powered by an internal combustion engine, including, but not limited to, the following:

- (A) Automobiles.
- (B) Trucks.
- (C) Motorcycles.

(13) "Motor vehicle fuel" means any petroleum distillate having a Reid vapor pressure of more than four (4) pounds per square inch and that is used to power motor vehicles. Diesel fuel and kerosene are not considered to be motor vehicle fuels.

(14) "Owner or operator" means any person who:

- (A) owns;
- (B) leases;
- (C) operates;
- (D) manages;
- (E) supervises; or
- (F) controls;

directly or indirectly, a gasoline dispensing facility.

(15) "Pressure decay or leak test" means a test procedure used to quantify the vapor tightness of a vapor collection and control system installed at gasoline dispensing facilities. Test procedures can be found in EPA 450/3-91-022b, "Technical Guidance—Stage II Vapor Recovery Systems for Control of Vehicle Refueling Emissions at Gasoline Dispensing Facilities"*.

(16) "Vapor collection and control systems" means any system certified by CARB that limits the discharge to the atmosphere of motor vehicle fuel vapor displaced during the dispensing of motor vehicle fuel into motor vehicle fuel tanks.

(b) Stage I vapor recovery system requirements at gasoline dispensing facilities are as follows:

(1) No owner or operator of a gasoline dispensing facility shall allow the transfer of gasoline between any transport and any storage tank unless the tank is equipped with the following:

- (A) A submerged fill pipe that extends to not more than:

- (i) twelve (12) inches from the bottom of the storage tank if the fill pipe was installed on or before November 9, 2006; or
 - (ii) six (6) inches from the bottom of the storage tank if the fill pipe was installed after November 9, 2006.
 - (B) Either a pressure relief valve set to release at not less than seven-tenths (0.7) pounds per square inch or an orifice of five-tenths (0.5) inch in diameter.
 - (C) A vapor balance system connected between the tank and the transport operating according to manufacturer's specifications.
- (2) If the owner or employees of the owner of a gasoline dispensing facility are not present during loading, it shall be the responsibility of the owner or the operator of the transport to make certain the vapor balance system is:
- (A) connected between the transport and the storage tank; and
 - (B) operating according to manufacturer's specifications.

(c) **Until April 1, 2016**, stage II vapor recovery system requirements at gasoline dispensing facilities are as follows:

- (1) The provisions of subdivision (2) shall apply to any gasoline dispensing facility located in Clark, Floyd, Lake, or Porter County except if the gasoline dispensing facility:
- (A) dispenses an average monthly volume of less than ten thousand (10,000) gallons of gasoline per month; or
 - (B) is an independent small business marketer of gasoline who dispenses an average monthly volume of less than fifty thousand (50,000) gallons of gasoline per month.
- (2) No owner or operator of a gasoline dispensing facility shall cause or allow the dispensing of motor vehicle fuel at any time unless all motor vehicle fuel dispensing operations are equipped with and utilize a certified vapor collection and control system that is properly installed and operated as follows:
- (A) No vapor collection and control system shall be installed, used, or maintained unless the system:
 - (i) has been certified by CARB; and
 - (ii) meets the testing requirements specified in subdivision (7)(F).
 - (B) Any vapor collection and control system utilized shall be maintained in accordance to its certified configuration and with the manufacturer's specification and maintenance schedule.
 - (C) No elements or components of a vapor collection and control system shall be:
 - (i) modified;
 - (ii) removed;
 - (iii) replaced; or
 - (iv) otherwise rendered inoperative;in a manner that prevents the system from performing in accordance with its certification and design specifications.
 - (D) A vapor collection and control system shall not be operated with defective, malfunctioning, missing, or noncertified components. The following requirements apply to a vapor collection and control system:
 - (i) All parts of the system that can be visually inspected must be checked daily by the operator of the facility for the following malfunctions:
 - (AA) Absence or disconnection of any component required to be used to certify the system.
 - (BB) A vapor hose that is crimped or flattened such that the vapor passage is blocked or severely restricted.
 - (CC) A nozzle boot that is torn in either of the following manners:
 - (aa) A triangular shaped or similar tear one-half (1/2) inch or more to a side or a hole one-half (1/2) inch or more in diameter or length.
 - (bb) Slit one (1) inch or more in length.
 - (DD) A faceplate or flexible cone that is damaged in the following manner:
 - (aa) For balance nozzles and nozzles for aspirator and educator assist type systems, damage shall be such that the capability to achieve a seal with a fill pipe interface is affected for one-fourth (1/4) of the circumference of the faceplate (accumulated).
 - (bb) For nozzles for vacuum assist type systems that use a flexible cone, having more than one-fourth (1/4) of the flexible cone missing.
 - (EE) A nozzle shutoff mechanism that malfunctions in any manner.
 - (FF) A vacuum producing device that is inoperative.
 - (ii) Any defect in the system that is discovered in item (i) will require the immediate shutdown of the affected pumps until proper repairs are made.
 - (iii) A signed daily log of the daily inspection in item (i) shall be maintained at the facility.
 - (iv) One (1) operator or employee of the gasoline dispensing facility shall be trained and instructed annually in the proper operation and maintenance of a vapor collection and control system.

(v) Instructions shall:

- (AA) be posted in a conspicuous and visible place within the motor vehicle fuel dispensing area for the system in use at that station;
- (BB) clearly describe how to fuel vehicles correctly with the vapor recovery nozzles utilized at that station; and
- (CC) include a warning that repeated attempts to continue dispensing motor vehicle fuel after the system has indicated that the vehicle fuel tank is full may result in a spillage of fuel.

(3) Facilities subject to the requirements of subdivision (2) shall demonstrate compliance according to the following schedule:

- (A) Six (6) months after promulgation in the case of gasoline dispensing facilities for which construction commenced after the date of enactment of the Clean Air Act Amendments of 1990 (November 15, 1990).
- (B) One (1) year after promulgation in the case of gasoline dispensing facilities that dispense at least one hundred thousand (100,000) gallons of gasoline per month, based on average monthly sales for the two (2) year period prior to November 15, 1992.
- (C) Two (2) years after promulgation in the case of all other gasoline dispensing facilities.
- (D) Any gasoline dispensing facility described in both clauses (A) and (B) shall meet the requirements of clause (A).
- (E) New facilities constructed after the promulgation of this rule shall comply with the requirements of subdivision (2) upon startup of the facility.
- (F) Existing facilities previously exempted from, but that become subject to, the requirements of subdivision (2) shall comply with the requirements of subdivision (2) within one (1) year from the date the facility became subject.

(4) Any gasoline dispensing facility that becomes subject to the provisions of subdivision (2) at any time shall remain subject to the provisions of subdivision (2) at all times.

(5) Any gasoline dispensing facility subject to subdivision (2) shall retain copies of all records and reports adequate to clearly demonstrate the following:

- (A) That a certified vapor collection and control system has been installed and tested to verify its performance according to its specifications.
- (B) That proper maintenance has been conducted in accordance with the manufacturer's specifications and requirements.
- (C) The time period and duration of all malfunctions of the vapor collection and control system.
- (D) The motor vehicle fuel throughput of the facility for each calendar month of the previous year.
- (E) That operators and employees are trained and instructed in the proper operation and maintenance of the vapor collection and control system.

(6) All records and reports required in subdivision (5) shall be made available to the department upon request. All records shall be retained for a period of two (2) years.

(7) Within forty-five (45) days after the installation of a vapor collection and control system, the owner or operator of the gasoline dispensing facility shall submit to the department a registration form, which shall be provided by the department of environmental management, office of air quality, that provides, at a minimum, the following:

- (A) The name, address, and telephone number of the facility.
- (B) The signature of the owner or operator.
- (C) The CARB executive order number for the vapor collection and control system to be utilized.
- (D) The number of nozzles, excluding diesel and kerosene, used for motor vehicle refueling.
- (E) The monthly average volume of motor vehicle fuel dispensed.
- (F) The date of completion of installation of the vapor collection and control system. Completion of installation includes the successful passing of a vapor leakage and blockage test. A vapor leakage and blockage test must, at a minimum, include the following:
 - (i) A pressure decay or leak test.
 - (ii) A dynamic pressure drop test.
 - (iii) A liquid blockage test.

The results of these tests must be submitted with the registration form specified in this subdivision.

(8) All vapor collection and control systems shall be retested for vapor leakage and blockage, and successfully pass the test, at least every five (5) years or upon major system replacement or modification. A major system modification is considered to be replacing, repairing, or upgrading seventy-five percent (75%) or more of a vapor collection and control system of a facility.

(d) Until April 1, 2016, a stage II vapor recovery system must be maintained in accordance with subsection (c), unless the owner or operator decommissions the stage II vapor recovery system as follows:

(1) The owner or operator shall notify the department of the intent to decommission the stage II vapor recovery system.

(2) The owner or operator shall decommission the stage II vapor recovery system in accordance with section 14 of the 2009 "Recommended Practices for Installation and Testing of Vapor Recovery Systems at Vehicle Refueling Sites" of the Petroleum Equipment Institute.

(3) The owner or operator shall complete decommissioning within one hundred (100) calendar days from notification to the department.

(e) Stage II vapor recovery systems are not required after April 1, 2016.

(d) (f) Upon request by the department, the owner or operator of a gasoline dispensing facility that claims to be exempt from the requirements of this section shall submit records to the agency within thirty (30) calendar days from the date of the request that demonstrate that the gasoline dispensing facility is in fact exempt.

~~*This document is~~ ***These documents are** incorporated by reference. Copies are available for review and copying at the Indiana Department of Environmental Management, Office of Air Quality, **Legal Counsel**, Indiana Government Center North, ~~Tenth~~ **Thirteenth** Floor, 100 North Senate Avenue, Indianapolis, Indiana 46204.

(Air Pollution Control Division; 326 IAC 8-4-6; filed Mar 10, 1988, 1:20 p.m.: 11 IR 2540; filed Aug 11, 1989, 1:40 p.m.: 13 IR 8; filed Nov 30, 1990, 4:20 p.m.: 14 IR 605; filed Oct 28, 1993, 5:00 p.m.: 17 IR 332; filed Sep 18, 1995, 3:00 p.m.: 19 IR 203; errata filed Dec 11, 1995, 3:00 p.m.: 19 IR 674; filed Jul 30, 1996, 2:00 p.m.: 19 IR 3349; errata filed Feb 18, 1997, 4:00 p.m.: 20 IR 1738; readopted filed Jan 10, 2001, 3:20 p.m.: 24 IR 1477; filed Aug 26, 2004, 11:30 a.m.: 28 IR 47; filed Apr 15, 2010, 4:05 p.m.: 20100512-IR-326070353FRA)

Notice of Public Hearing

Posted: 11/27/2013 by Legislative Services Agency

An [html](#) version of this document.

Notice of Public Hearing
LSA Document #12-636

Notice of Public Hearing

Under IC 4-22-2-24, IC 13-14-8-6, and IC 13-14-9, notice is hereby given that on March 12, 2014, at 1:30 p.m., at the Indiana Government Center South, 302 West Washington Street, Conference Center Room A, Indianapolis, Indiana, the Environmental Rules Board will hold a public hearing on amendments to 326 IAC 2-11-2 and 326 IAC 8-4-6 concerning stage II vapor recovery system requirements.

The purpose of this hearing is to receive comments from the public prior to preliminary adoption of these rules by the board. All interested persons are invited and will be given reasonable opportunity to express their views concerning the proposed amendments. Oral statements will be heard, but, for the accuracy of the record, all comments should be submitted in writing.

Additional information regarding this action may be obtained from Christine Pedersen, Rules Development Branch, Office of Legal Counsel, (317) 233-5684 or (800) 451-6027 (in Indiana).

Individuals requiring reasonable accommodations for participation in this event should contact the Indiana Department of Environmental Management, Americans with Disabilities Act coordinator at:

Attn: ADA Coordinator

Indiana Department of Environmental Management

Indiana Government Center North

100 North Senate Avenue

Indianapolis, IN 46204-2251

or call (317) 233-1785 (V). Speech and hearing impaired callers may contact IDEM via the Indiana Relay Service (711) or (800) 743-3333. Please provide a minimum of 72 hours notification.

Copies of these rules are now on file at the Rules Development Branch, Office of Legal Counsel, Indiana Department of Environmental Management, Indiana Government Center North, 100 North Senate Avenue, Thirteenth Floor and Legislative Services Agency, Indiana Government Center North, 100 North Senate Avenue, Room N201, Indianapolis, Indiana and are open for public inspection.

Nancy King, Chief
Rules Development Branch
Office of Legal Counsel

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INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

We Protect Hoosiers and Our Environment.

100 N. Senate Avenue • Indianapolis, IN 46204

(800) 451-6027 • (317) 232-8603 • www.idem.IN.gov

Michael R. Pence
Governor

Thomas W. Easterly
Commissioner

July 31, 2014

CERTIFICATE OF PUBLICATION

This is to certify that the Indiana Department of Environmental Management (IDEM) Notice of Public Hearings for the Environmental Rules Board Meeting, 09/10/2014, regarding the following rulemaking actions:

- Rockport Temporary Alternative Opacity Limit, LSA #12-392
- Stage II Vapor Recovery Systems, LSA #12-636

was published on IDEM's web site on or before August 1, 2014. It will remain posted on the site until at least September 10, 2014.

The notice in full may be found at the following web address, under the "Statewide" category.

<http://www.in.gov/idem/6777.htm>

Web publication of the notice was at the request of Christine Pedersen, Section Chief, Rule Development Section, Office of Legal Counsel, IDEM.

By:

Mike Finkelstein
IDEM Webmaster

Attachments:

Copy of web page as published.



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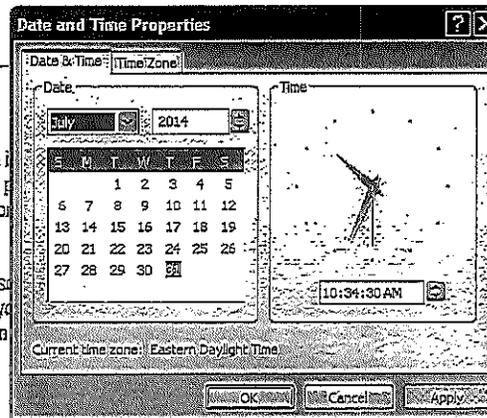
Public Notices: Statewide

This is the IDEM Public Notice Site for notices covering the entire State of Indiana. This page is public access to all agency state-wide public notices as required by statute or rule including: rulemaking, meeting and hearing notices. Click highlighted links to view additional information. For public meetings not requiring notices, please check the [IDEM Calendar](#).

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Statewide

Name or Facility	Type of Notice/Event	Publication Dates	Public Comment?	Comments Accepted	Additional Information
Environmental Rules Board 08/10/2014	Legal Notice of Public Hearing (PDF)	08/01/2014 - 09/10/2014	Yes	Address on Notice	



Legal Notice of Public Hearing

Under 40 CFR 51.102, notice is hereby given that the Environmental Rules Board (board) will hold a public hearing at its regularly scheduled meeting on Wednesday, September 10, 2014, for each of the air program rules listed in this notice. The meeting will convene at 1:30 p.m. at the Indiana Government Center-South, Conference Room A, 302 West Washington Street, Indianapolis, Indiana. The purpose of the hearing is to receive public comments prior to board action. All interested persons are invited and will be given a reasonable opportunity to express their views concerning the proposed action.

Board documents may be viewed and downloaded from the Indiana Department of Environmental Management's Web site as early as one week prior to the meeting at <http://www.in.gov/idem/4696.htm>.

Copies of the proposed air program rules are also available to any person upon request, may be viewed online via the Internet from local libraries, and are available for public inspection at the following locations:

Indiana Department of Environmental Management, Office of Legal Counsel, Indiana Government Center-North, 100 North Senate Avenue, 13th Floor, Indianapolis, Indiana 46204.

Indiana Department of Environmental Management, Northwest Office, 330 West US Highway 30, Suites E and F, Valparaiso, IN 46385.

Indiana Department of Environmental Management, Northern Office, Suite 450, 300 N. Michigan Street, South Bend, Indiana 46601.

Indiana Department of Environmental Management, Southwest Office, 1120 North Vincennes Avenue, P.O. Box 128, Petersburg, Indiana 47567-0128.

Indiana Department of Environmental Management, Southeast Office, 820 West Sweet Street, Brownstown, Indiana 47220-9557.

Legislative Services Agency, Indiana Government Center-North, 100 North Senate Avenue, Room N201, Indianapolis, Indiana 46204.

The following air program rules are noticed for hearing and action:

Rockport Temporary Alternative Opacity Limit (LSA # 12-392). The purpose of this hearing is to receive public comment prior to final adoption of a new rule at 326 IAC 5-1-8 concerning temporary alternative opacity limitations (TAOL) for the AEP Rockport Generating Station. This rule will be submitted to the United States Environmental Protection Agency as a revision to the State Implementation Plan required by the Clean Air Act. A copy of the most recently published version of this rule is available at: <http://www.in.gov/idem/5679.htm>.

For additional information concerning this rule contact Susan Bem at the Indiana Department of Environmental Management, Office of Legal Counsel, Indiana Government Center North, 100 North Senate Avenue, Indianapolis at (317) 233-5697 or (800) 451-6027 (ext. 3-5697)(in Indiana), or sbem@idem.in.gov.

Stage II Vapor Recovery Systems. (LSA # 12-636). The purpose of this hearing is to receive public comment prior to preliminary adoption of amendments to 326 IAC 2-11-2, 326 IAC 8-4-

1, and 326 IAC 8-4-6 concerning revisions to stage-II vapor recovery system requirements for consistency with U.S. EPA's determination that onboard refueling vapor recovery technology is in widespread use and that stage II vapor recovery systems are no longer required in certain ozone nonattainment areas as long as the National Ambient Air Quality Standards for ozone are met. This rule will be submitted to the United States Environmental Protection Agency as a revision to the State Implementation Plan required by the Clean Air Act. A copy of the most recently published version of this rule is available at: <http://www.in.gov/idem/5679.htm>.

For additional information concerning this rule contact Christine Pedersen at the Indiana Department of Environmental Management, Office of Legal Counsel, Indiana Government Center North, 100 North Senate Avenue, Indianapolis at (317) 233-5684 or (800) 451-6027 (ext. 3-5684)(in Indiana), or cpederse@idem.in.gov.

For these hearings, oral statements will be heard, but for the accuracy of the record, please submit statements in writing to the attendant designated to receive written comments at the public hearings.

A transcript of the hearings and all written submissions to the board at the public hearings shall be open to public inspection at the Indiana Department of Environmental Management; copies may be made available to any person upon payment of reproduction costs. Any person heard or represented at the hearings or requesting notice shall be given written notice of the actions of the board.

Christine Pedersen, Chief
Rules Development Section
Office of Legal Counsel

Individuals requiring reasonable accommodations for participation in this event should contact the Indiana Department of Environmental Management, Americans with Disabilities Act coordinator at:

Attn: ADA Coordinator
Indiana Department of Environmental Management
100 N. Senate Avenue
Indianapolis, IN 46204

or call (317) 233-1785. Speech and hearing impaired callers may contact the agency via the Indiana Relay Service at 1-800-743-3333. Please provide a minimum of 72 hours' notification.



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Michael R. Pence
Governor

Thomas W. Easterly
Commissioner

September 29, 2014

CERTIFICATE OF PUBLICATION

This is to certify that the Indiana Department of Environmental Management (IDEM) Notice of Public Hearings for the Environmental Rules Board Meeting, 11/12/2014, regarding the following rulemaking action:

- Stage II Vapor Recovery Systems, LSA #12-636

was published on IDEM's web site on or before October 6, 2014. It will remain posted on the site until at least November 12, 2014.

The notice in full may be found at the following web address, under the "Statewide" category.

<http://www.in.gov/idem/6777.htm>

Web publication of the notice was at the request of Christine Pedersen, Section Chief, Rule Development Section, Office of Legal Counsel, IDEM.

By:

Mike Finkelstein
IDEM Webmaster

Attachments:

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Statewide

Name or Facility	Type of Notice/Event	Publication Dates	Public Comment?	Comments Accepted	Additional Information
Environmental Rules Board 11/12/2014	Legal Notice of Public Hearing [DOCI]	10/06/2014 - 11/12/2014	Yes	In Accordance with Notice	

Date and Time Properties [?] [X]

Date & Time | Time Zone

Date: September 2014

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Time: 8:37:11 AM

Current time zone: Eastern Daylight Time

[OK] [Cancel] [Apply]

Legal Notice of Public Hearing

Under 40 CFR 51.102, notice is hereby given that the Environmental Rules Board (board) will hold a public hearing at its regularly scheduled meeting on Wednesday, November 12, 2014, for the air program rule listed in this notice. The meeting will convene at 1:30 p.m. at the Indiana Government Center-South, Conference Room A, 302 West Washington Street, Indianapolis, Indiana. The purpose of the hearing is to receive public comments prior to board action. All interested persons are invited and will be given a reasonable opportunity to express their views concerning the proposed action.

Board documents may be viewed and downloaded from the Indiana Department of Environmental Management's Web site as early as one week prior to the meeting at <http://www.in.gov/idem/4696.htm>.

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The following air program rule is noticed for hearing and action:

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Christine Pedersen, Chief
Rules Development Section
Office of Legal Counsel

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BEFORE THE STATE OF INDIANA
ENVIRONMENTAL RULES BOARD

- - -

PUBLIC MEETING OF SEPTEMBER 10, 2014

ORIGINAL

PROCEEDINGS

before the Indiana Environmental Rules Board,
Beverly Gard, Chairman, taken before me, Lindy L.
Meyer, Jr., a Notary Public in and for the State
of Indiana, County of Shelby, at the Indiana
Government Center South, Conference Center,
Room A, 402 West Washington Street, Indianapolis,
Indiana, on Wednesday, September 10, 2014 at 1:29
o'clock p.m.

- - -

William F. Daniels, RPR/CP CM d/b/a
ACCURATE REPORTING OF INDIANA
12922 Brighton Avenue
Carmel, Indiana 46032
(317) 848-0088

1 APPEARANCES:

2 BOARD MEMBERS:

3 Beverly Gard, Chairman
4 Thomas R. Anderson
5 Gary Powdrill
6 Dr. Ted Niemiec
7 Joanne Alexandrovich
8 Kelly Carmichael
9 Ken Rulon
10 William Etzler
11 Chris Horn
12 Gail Boydston
13 Mike Mettler, Proxy, Department of
14 Health
15 Cameron F. Clark, Director, Department of
16 Natural Resources
17 Pamela Fisher, Proxy, Indiana Economic
18 Development Corporation
19 David Bausman, Proxy, Lieutenant
20 Governor
21 Thomas W. Easterly (nonvoting)

22 IDEM STAFF MEMBERS:

23 Christine Pedersen
24 Susan Bem
25 Lauren Aguilar
26 MaryAnn Stevens
27 Dan Watts
28 Bruce Palin
29 Nancy King
30 Janet Pittman

31 PUBLIC SPEAKERS:

32 Jodi Perras
33 Bowden Quinn
34 Steven Peckinpaugh
35 Dave Menzer
36 Josh Trenary
37 Kim Ferraro
38 Charles Mitch

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1 1:29 o'clock p.m.
September 10, 2014

2 - - -
3 CHAIRMAN GARD: The Chair is going to
4 call this meeting to order. We have a very big
5 agenda, and so we ought to get moving as quickly
6 as possible. The Chair sees a quorum. We have
7 eight voting members present. Let me ask you
8 all, as we do every meeting, to go around and
9 introduce yourselves and tell what constituency
10 you represent.

11 COMM. EASTERLY: I'm Tom Easterly,
12 the Commissioner of IDEM.

13 MR. RULON: Ken Rulon, representing
14 agriculture.

15 MR. BAUSMAN: David Bausman, Director
16 of Policy and Regulatory Affairs at ISDA, serving
17 as the Lieutenant Governor's proxy.

18 MR. CLARK: Cameron Clark, the
19 Director of the Indiana Department of Natural
20 Resources.

21 MR. METTLER: Mike Mettler, proxy for
22 the State Health Commissioner, Dr. VanNess.

23 MS. FISHER: Pam Fisher, proxy for

1 Secretary of Commerce Victor Smith.

2 MS. BOYDSTON: Gail Boydston,
3 representing manufacturing.

4 CHAIRMAN GARD: Beverly Gard, general
5 public.

6 MR. ETZLER: Bill Etzler, small
7 business.

8 MR. ANDERSON: Tom Anderson,
9 environmental.

10 MR. POWDRILL: Gary Powdrill, public
11 at large.

12 DR. NIEMIEC: Ted Niemiec, health
13 care.

14 MS. ALEXANDROVICH: Joanne
15 Alexandrovich, county government, local
16 government.

17 MR. CARMICHAEL: Kelly Carmichael,
18 utilities.

19 MR. HORN: Chris Horn, labor.

20 CHAIRMAN GARD: Thank you all.

21 The first order of business today is
22 approval of the summary of the June 11th, 2014
23 Board meeting. Are there additions or

1 CHAIRMAN GARD: And the Chair votes
2 aye. That is -- it passes 14 to 0. The rule is
3 adopted.

4 This is a public hearing before the
5 Environmental Rules Board for the State of
6 Indiana concerning preliminary adoption of
7 amendments to rules at 326 IAC 2 and 326 IAC 8
8 concerning Stage II Vapor Recovery Systems.

9 I will now introduce Exhibit G, the draft
10 rules, into the record of the hearing.

11 Chris Pedersen from the Department will
12 present the rule.

13 MS. PEDERSEN: Hello again. My name
14 is Chris Pederson, with the Rules Development
15 Branch.

16 Section 182(b)(3) of the Clean Air Act
17 requires a Stage II Vapor Recovery System to be
18 used at certain gasoline dispensing facilities
19 located in ozone nonattainment areas formerly
20 classified as serious, severe or extreme.
21 Stage II vapor recovery technology is installed
22 on gas pumps and is designed to control gasoline
23 vapors that can react with sunlight, nitrogen

1 oxides and other volatile organic compounds to
2 form ozone.

3 In 1994, U.S. EPA published onboard
4 refueling vapor recovery standards for capturing
5 gasoline vapor when gasoline-powered vehicles are
6 refueled. By 2006, all new gasoline-powered
7 vehicles with a gross vehicle weight rating of
8 less than 14,000 pounds were equipped with this
9 technology. U.S. EPA estimates that by the end
10 of 2012, more than 71 percent of the vehicles on
11 the road were equipped with onboard refueling
12 vapor recovery technology.

13 Section 202(a)(6) of the Clean Air Act
14 provides U.S. EPA discretionary authority to
15 revise or waive the Stage II requirements if it
16 is determined that the onboard refueling vapor
17 recovery is in widespread use since the two
18 emission control systems are redundant. On
19 May 9th, 2012, U.S. EPA made this determination.

20 Using guidance provided by U.S. EPA, IDEM
21 conducted an emissions inventory analysis to
22 develop a revision to the State Implementation
23 Plan, or SIP, to remove Stage II vapor recovery

1 requirements in the former serious ozone
2 nonattainment areas of Clark and Floyd Counties
3 and severe ozone nonattainment areas of Lake and
4 Porter Counties.

5 IDEM's widespread use analysis determined
6 that emission reductions could still be met if
7 Indiana's Stage II requirements were eliminated
8 in 2016. However, IDEM began phasing the program
9 out in 2013 through a nonrule policy document for
10 new and modified gasoline dispensing facilities.
11 Therefore, it is necessary for Indiana to account
12 for the potential loss in emission reductions
13 from the early removal of the Stage II
14 requirements for the years 2013 through 2015.

15 IDEM has prepared an antibacksliding
16 demonstration that accounts for the potential
17 loss reductions with those achieved through
18 shutdown credits and other programs that are not
19 currently accounted for in the SIP. This
20 demonstration will accompany the rule revision
21 submitted to U.S. EPA to support modification to
22 the SIP.

23 This rulemaking amends 326 IAC 2-11-2,

1 326 IAC 8-4-1, and 326 IAC 8-4-6 to remove the
2 Stage 2 vapor recovery system requirements in
3 Clark, Floyd, Lake and Porter Counties, and to
4 update information for consistency with U.S. EPA
5 guidance and the results of IDEM's analysis that
6 is specific to Indiana.

7 IDEM recommends that the Board
8 preliminarily adopt this proposed rule.

9 CHAIRMAN GARD: Are there any
10 questions for Chris?

11 Yes.

12 MR. POWDRILL: Chris, am I safe in
13 assuming that this does not affect the tanker
14 truck secondary vapor recovery? When the tanker
15 truck dumps his load of gas into the tank, he is
16 supposed to hook up a vapor portal, and that is
17 not changed --

18 MS. PEDERSEN: Correct.

19 MR. POWDRILL: -- by this rule?

20 MS. PEDERSEN: Correct.

21 MR. POWDRILL: Okay.

22 COMM. EASTERLY: That's Stage I.

23 MS. PEDERSEN: Yeah.

1 MR. POWDRILL: Oh, that's Stage I?

2 Okay.

3 CHAIRMAN GARD: Any other questions
4 for Chris?

5 (No response.)

6 CHAIRMAN GARD: Thank you.

7 There are no speaker cards that have been
8 turned in. Does anybody from the audience want
9 to comment?

10 (No response.)

11 CHAIRMAN GARD: Hearing none, this
12 hearing is concluded.

13 Is there Board discussion?

14 (No response.)

15 CHAIRMAN GARD: I need a motion for
16 preliminary adoption of the rule.

17 MR. HORN: So moved.

18 CHAIRMAN GARD: Is there a second?

19 MR. CARMICHAEL: Second.

20 CHAIRMAN GARD: All in favor, say
21 aye.

22 MR. HORN: Aye.

23 MS. ALEXANDROVICH: Aye.

1 MR. CARMICHAEL: Aye.

2 MR. ETZLER: Aye.

3 MR. ANDERSON: Aye.

4 MR. BAUSMAN: Aye.

5 MR. POWDRILL: Aye.

6 MR. CLARK: Aye.

7 MR. METTLER: Aye.

8 DR. NIEMIEC: Aye.

9 MS. FISHER: Aye.

10 MS. BOYDSTON: Aye.

11 MR. RULON: Aye.

12 CHAIRMAN GARD: Aye.

13 Those opposed, nay.

14 (No response.)

15 CHAIRMAN GARD: The rule has been
16 preliminarily adopted.

17 This is a public hearing before the
18 Environmental Rules Board for the State of
19 Indiana concerning preliminary adoption of new
20 rules at 329 IAC 16 concerning Electronic Waste.

21 I will now introduce Exhibit H, the draft
22 rules, into the record of the hearing.

23 Dan Watts will present the rule for the

1 adjourned.

2 Thank you all.

3 - - -
4 Thereupon, the proceedings of
5 September 10, 2014 were concluded
6 at 3:43 o'clock p.m.
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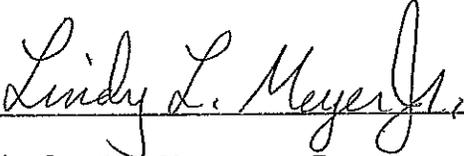
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1 CERTIFICATE

2 I, Lindy L. Meyer, Jr., the undersigned
3 Court Reporter and Notary Public residing in the
4 City of Shelbyville, Shelby County, Indiana, do
5 hereby certify that the foregoing is a true and
6 correct transcript of the proceedings taken by me
7 on Wednesday, September 10, 2014 in this matter
8 and transcribed by me.

9
10 

11 Lindy L. Meyer, Jr.,

12 Notary Public in and

13 for the State of Indiana.

14
15 My Commission expires October 27, 2016.
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G

TITLE 326 AIR POLLUTION CONTROL DIVISION

Proposed Rule
LSA Document #12-636

DIGEST

Amends 326 IAC 2-11-2, 326 IAC 8-4-1, and 326 IAC 8-4-6 concerning stage II vapor recovery system requirements. Effective 30 days after filing with the Publisher.

HISTORY

First Notice of Comment Period: December 12, 2012, Indiana Register (DIN: 20121212-IR-326120636FNA).

Second Notice of Comment Period: November 27, 2013, Indiana Register (DIN: 20131127-IR-326120636SNA).

Notice of First Hearing: November 27, 2013, Indiana Register (DIN: 20131127-IR-326120636PHA).

Change in Notice of Public Hearing: January 29, 2014, Indiana Register (DIN: 20140129-IR-326120636CHA).

Change in Notice of Public Hearing: July 23, 2014, Indiana Register (DIN: 20140723-IR-326120636CHA).

Date of First Hearing: September 10, 2014.

PUBLIC COMMENTS UNDER IC 13-14-9-4.5

IC 13-14-9-4.5 states that a board may not adopt a rule under IC 13-14-9 that is substantively different from the draft rule published under IC 13-14-9-4, until the board has conducted a third comment period that is at least 21 days long.

REQUEST FOR PUBLIC COMMENTS

Portions of this proposed rule are substantively different from the draft rule published on November 27, 2013, at DIN: 20131127-IR-326120636SNA. The Indiana Department of Environmental Management (IDEM) is requesting comment on the following portions of the proposed (preliminarily adopted) rule that are substantively different from the language contained in the draft rule.

IDEM conducted an emissions inventory analysis to develop a revision to the State Implementation Plan to remove stage II vapor recovery requirements in the former serious ozone nonattainment areas (Clark County and Floyd County) and severe ozone nonattainment areas (Lake County and Porter County). IDEM's widespread use analysis determined that emission reductions could still be met if Indiana's stage II vapor recovery requirements were eliminated in 2016; therefore, the draft rule language in the Second Notice of Comment Period indicated the effective date of the removal of stage II vapor recovery requirements would be April 1, 2016, which is the beginning of the ozone season in Indiana. Because IDEM began phasing the program out in 2013 through a nonrule policy document for new and modified facilities, IDEM revised the draft rule language presented to the Environmental Rules Board on September 10, 2014, to make the removal of the requirements effective on the effective date of the rule. IDEM seeks comments on changing the effective date of the removal of stage II vapor recovery requirements from April 1, 2016, to the effective date of the rule, which is expected to be in Spring 2015. In accordance with Indiana Code 4-22-2-36(2), the rule will become effective 30 days after filing with the Legislative Services Agency.

This notice requests the submission of comments on the sections of the rule listed above, including suggestions for specific amendments to those sections. These comments and the department's responses thereto will be presented to the board for its consideration at final adoption under IC 13-14-9-6. Comments on additional sections of the proposed rule that the commentor believes are substantively different from the draft rule may also be submitted for the consideration of the board. Comments may be submitted in one of the following ways:

(1) By mail or common carrier to the following address:

LSA Document #12-636 Stage II Vapor Recovery
Christine Pedersen
Rules Development Branch
Office of Legal Counsel
Indiana Department of Environmental Management
Indiana Government Center North
100 North Senate Avenue
Indianapolis, IN 46204-2251

(2) By facsimile to (317) 233-5970. Please confirm the timely receipt of your faxed comments by calling the Rules Development Branch at (317) 233-8903.

(3) By electronic mail to cpederse@idem.in.gov. To confirm timely delivery of your comments, please request a document receipt when you send the electronic mail. **PLEASE NOTE: Electronic mail comments will**

NOT be considered part of the official written comment period unless they are sent to the address indicated in this notice.

(4) Hand delivered to the receptionist on duty at the thirteenth floor reception desk, Office of Legal Counsel, Indiana Government Center North, 100 North Senate Avenue, Indianapolis, Indiana.

Regardless of the delivery method used, to properly identify each comment with the rulemaking action it is intended to address, each comment document must clearly specify the LSA document number of the rulemaking you are commenting on.

COMMENT PERIOD DEADLINE

All comments must be postmarked, faxed, or time stamped not later than October 22, 2014. Hand-delivered comments must be delivered to the appropriate office by 4:45 p.m. on the above-listed deadline date.

Additional information regarding this action may be obtained from Christine Pedersen, Rules Development Branch, Office of Legal Counsel, (317) 233-5684 or (800) 451-6027 (in Indiana).

SUMMARY/RESPONSE TO COMMENTS FROM THE SECOND COMMENT PERIOD

IDEM requested public comment from November 27, 2013, through December 27, 2013, on IDEM's draft rule language. No comments were received during the second comment period.

SUMMARY/RESPONSE TO COMMENTS RECEIVED AT THE FIRST PUBLIC HEARING

On September 10, 2014, the Environmental Rules Board (board) conducted the first public hearing/board meeting concerning the development of amendments to 326 IAC 2-11-2, 326 IAC 8-4-1, and 326 IAC 8-4-6. No comments were made at the first hearing.

326 IAC 2-11-2; 326 IAC 8-4-1; 326 IAC 8-4-6

SECTION 1. 326 IAC 2-11-2 IS AMENDED TO READ AS FOLLOWS:

326 IAC 2-11-2 Gasoline dispensing operations

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 2. (a) This section applies to retail or commercial gasoline dispensing operations that:

- (1) meet the conditions specified in subsection (b); and
- (2) demonstrate compliance as specified in subsection (c).

(b) To limit potential to emit as provided in section 1(c) of this rule, ~~the following conditions are applicable to sources depending on their location:~~ **gasoline dispensing operations shall comply with the following conditions based on an average monthly throughput for the last twelve (12) months:**

(1) ~~For sources located in Clark or Floyd County, the source:~~

- (A) ~~fills its storage tanks by vapor balanced fill;~~
- (B) ~~has a Stage II vapor recovery system; and~~
- (C) ~~dispenses less than five million three hundred seventy six thousand (5,376,000) gallons of gasoline during an average month based on the last twelve (12) months.~~

(2) ~~For sources located in Lake or Porter County, the source:~~

- (A) ~~fills its storage tanks by vapor balanced fill;~~
- (B) ~~has a Stage II vapor recovery system; and~~
- (C) ~~dispenses less than one million three hundred forty four thousand (1,344,000) gallons of gasoline during an average month based on the last twelve (12) months.~~

(3) ~~For all other sources, the source uses:~~

- (A) ~~(1) For the splash method for filling storage tanks, and dispenses the operation shall dispense less than six hundred eighty-eight thousand (688,000) gallons of gasoline.~~
- (B) ~~(2) For the submerged fill method for filling storage tanks, and dispenses the operation shall dispense less than eight hundred thirty-three thousand (833,000) gallons of gasoline.~~
- (C) ~~(3) For the vapor-balanced fill method for filling storage tanks, and dispenses the operation shall dispense less than one million two hundred eighty-two thousand (1,282,000) gallons of gasoline. or~~
- (D) ~~(4) For an operation that uses the fill vapor-balanced fill method for filling storage tanks, and has a stage II vapor recovery system, and dispenses the operation shall dispense less than five million three hundred seventy-six thousand (5,376,000) gallons of gasoline.~~

~~during an average month based on the last twelve (12) months.~~

(c) Sources ~~Source~~ **Gasoline dispensing operations** electing to comply with this rule must be able to demonstrate compliance ~~no~~ **not** later than thirty (30) days after receipt of a written request by the department or the U.S. EPA, as follows:

(1) The owner or operator of a gasoline dispensing ~~source~~ **operation** shall demonstrate compliance with subsection ~~(b)(3)(A), (b)(3)(B), or (b)(3)(C);~~ **(b)(1), (b)(2), or (b)(3)** as applicable.

(2) The owner or operator of a gasoline dispensing ~~source~~ **operation described in subsection (b)(3)(D) (b)(4)** and ~~326 IAC 8-4-6(a) through 326 IAC 8-4-6(d), 326 IAC 8-4-6(f), and 326 IAC 8-4-6(j) through 326 IAC 8-4-6(m).~~ **326 IAC 8-4-6.**

~~(3) The owner or operator of a gasoline dispensing source subject to subsection (b)(1) or (b)(2) shall demonstrate compliance with subsection (b)(1) or (b)(2), as applicable, and 326 IAC 8-4-6.~~

(Air Pollution Control Division; 326 IAC 2-11-2; filed May 7, 1997, 4:00 p.m.: 20 IR 2316; filed Aug 2, 2004, 3:25 p.m.: 27 IR 3956)

SECTION 2. 326 IAC 8-4-1 IS AMENDED TO READ AS FOLLOWS:

326 IAC 8-4-1 Applicability

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 1. (a) All sections of this rule apply to sources ~~of the types as~~ described in **the applicable section** of this rule and located in the following counties:

- (1) Clark.
- (2) Elkhart.
- (3) Floyd.
- (4) Hendricks.
- (5) Lake.
- (6) Marion.
- (7) Porter.
- (8) St. Joseph.

(b) Sections 4 through 7 and 9 of this rule apply to sources ~~of the types as~~ described in **the applicable section** of this rule and located in the following counties:

- (1) Boone.
- (2) Dearborn.
- (3) Hamilton.
- (4) Hancock.
- (5) Harrison.
- (6) Johnson.
- (7) Morgan.
- (8) Shelby.

(c) Sections 2 through 5 and 7 through 9 of this rule apply to all new sources of the types described in this rule as of January 1, 1980.

(d) Section 6(a) and 6(b) of this rule apply to any gasoline storage tank at a gasoline dispensing facility with a monthly gasoline throughput of ten thousand (10,000) gallons per month or greater.

(e) **Unless a stage II vapor recovery system is decommissioned in accordance with section 6(d) of this rule, a gasoline dispensing facility with a stage II vapor recovery system in the following counties shall comply with section 6(c) of this rule:** ~~applies to gasoline dispensing facilities as described in section 6(e)(1) of this rule and located in:~~

- (1) Clark.
- (2) Floyd.
- (3) Lake. ~~or~~
- (4) Porter.

County.

(f) Section 6(d) of this rule applies to a gasoline dispensing facility with a stage II vapor recovery system that plans to decommission the stage II vapor recovery system.

(Air Pollution Control Division; 326 IAC 8-4-1; filed Mar 10, 1988, 1:20 p.m.: 11 IR 2538; filed Aug 11, 1989, 1:40 p.m.: 13 IR 7; filed Apr 23, 1999, 2:12 p.m.: 22 IR 2855; readopted filed Jan 10, 2001, 3:20 p.m.: 24 IR 1477; filed Apr 15, 2010, 4:05 p.m.: 20100512-IR-326070353FRA)

SECTION 3. 326 IAC 8-4-6 IS AMENDED TO READ AS FOLLOWS:

326 IAC 8-4-6 Gasoline dispensing facilities

Authority: IC 13-14-8; IC 13-17-3-4

Affected: IC 13-12-3-1

Sec. 6. (a) The following definitions apply throughout this section:

- (1) "Average monthly volume" means the amount of motor fuel dispensed per month from a gasoline dispensing facility based upon a monthly average for a two (2) year period from November 1990 through October 1992, or, if not available, the monthly average for the most recent twelve (12) calendar months. Monthly averages shall include only those months when the facility was operating.
- (2) "CARB" means the California Air Resources Board.
- (3) "Certified" means any vapor collection and control system that has been tested and approved by CARB as having a vapor recovery and removal efficiency of at least ninety-five percent (95%) by weight.
- (4) "Constructed" means fabricated, erected, or installed and refers to any facility, emission source, or air pollution control equipment.
- (5) "Dynamic backpressure pressure drop test" means a test procedure used to determine the pressure drop (flow resistance) through vapor collection and control systems, including:
 - (A) nozzles;
 - (B) vapor hoses;
 - (C) swivels;
 - (D) dispenser piping; and
 - (E) underground piping;at prescribed flow rates. Test procedures for this test can be found in EPA 450/3-91-022b, "Technical Guidance—Stage II Vapor Recovery Systems for Control of Vehicle Refueling Emissions at Gasoline Dispensing Facilities".
- (6) "Employee" means any person who performs work for an employer for compensation.
- (7) "Facility" means any:
 - (A) building;
 - (B) structure;
 - (C) installation;
 - (D) operation; or
 - (E) combination located on contiguous properties and under common ownership;that provides for the dispensing of motor vehicle fuel.
- (8) "Gasoline dispensing facility" means any facility where gasoline is dispensed into motor vehicle fuel tanks or portable containers from a storage tank with a capacity of nine hundred forty-six (946) liters (two hundred fifty (250) gallons) or more. Diesel fuel and kerosene are not considered to be motor vehicle fuels.
- (9) "Independent small business marketer of gasoline" means a person engaged in the marketing of gasoline who:
 - (A) is not a refiner;
 - (B) does not control, is not controlled by, or is not under common control with a refiner;
 - (C) is not otherwise directly or indirectly affiliated with a refiner or a person who controls, is controlled by, or is under a common control with a refiner (unless the sole affiliation referred to in this subdivision 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); and
 - (D) receives less than fifty percent (50%) annual income from the marketing of gasoline.
- (10) "Liquid blockage test" means a test procedure used to detect low points in any vapor collection and control system where condensate may accumulate. Test procedures can be found in EPA 450/3-91-022b, "Technical Guidance—Stage II Vapor Recovery Systems for Control of Vehicle Refueling Emissions at Gasoline Dispensing Facilities".
- (11) "Modification" means any change, removal, or addition, other than a certified replacement of any component contained within the vapor collection system and control system.

(12) "Motor vehicle" means any self-propelled vehicle powered by an internal combustion engine, including, but not limited to, the following:

- (A) Automobiles.
- (B) Trucks.
- (C) Motorcycles.

(13) "Motor vehicle fuel" means any petroleum distillate having a Reid vapor pressure of more than four (4) pounds per square inch and that is used to power motor vehicles. Diesel fuel and kerosene are not considered to be motor vehicle fuels.

(14) "Owner or operator" means any person who:

- (A) owns;
- (B) leases;
- (C) operates;
- (D) manages;
- (E) supervises; or
- (F) controls;

directly or indirectly, a gasoline dispensing facility.

(15) "Pressure decay or leak test" means a test procedure used to quantify the vapor tightness of a vapor collection and control system installed at gasoline dispensing facilities. Test procedures can be found in EPA 450/3-91-022b, "Technical Guidance—Stage II Vapor Recovery Systems for Control of Vehicle Refueling Emissions at Gasoline Dispensing Facilities".

(16) "Vapor collection and control systems" means any system certified by CARB that limits the discharge to the atmosphere of motor vehicle fuel vapor displaced during the dispensing of motor vehicle fuel into motor vehicle fuel tanks.

(b) Stage I vapor recovery system requirements at gasoline dispensing facilities are as follows:

(1) No owner or operator of a gasoline dispensing facility shall allow the transfer of gasoline between any transport and any storage tank unless the tank is equipped with the following:

- (A) A submerged fill pipe that extends to not more than:
 - (i) twelve (12) inches from the bottom of the storage tank if the fill pipe was installed on or before November 9, 2006; or
 - (ii) six (6) inches from the bottom of the storage tank if the fill pipe was installed after November 9, 2006.
- (B) Either a pressure relief valve set to release at not less than seven-tenths (0.7) pounds per square inch or an orifice of five-tenths (0.5) inch in diameter.
- (C) A vapor balance system connected between the tank and the transport operating according to manufacturer's specifications.

(2) If the owner or employees of the owner of a gasoline dispensing facility are not present during loading, it shall be the responsibility of the owner or the operator of the transport to make certain the vapor balance system is:

- (A) connected between the transport and the storage tank; and
- (B) operating according to manufacturer's specifications.

(c) Stage II vapor recovery system requirements at gasoline dispensing facilities are as follows:

(1) **Unless a stage II vapor recovery system is decommissioned in accordance with subsection (d), the provisions of subdivision (2) shall apply to any gasoline dispensing facility that has a stage II vapor recovery system and is located in any of the following counties:**

- (A) Clark.
- (B) Floyd.
- (C) Lake. or
- (D) Porter. County except if the gasoline dispensing facility:
 - (A) dispenses an average monthly volume of less than ten thousand (10,000) gallons of gasoline per month; or
 - (B) is an independent small business marketer of gasoline who dispenses an average monthly volume of less than fifty thousand (50,000) gallons of gasoline per month.

(2) ~~No~~ **An** owner or operator of a gasoline dispensing facility **with a stage II vapor recovery system** shall ~~cause or allow the dispensing of motor vehicle fuel at any time unless all motor vehicle fuel dispensing operations are equipped with and utilize a certified vapor collection and control system that is properly installed and operated as follows:~~

- (A) No vapor collection and control system shall be installed, used or maintained unless the system:
 - (i) has been certified by CARB; and
 - (ii) meets the testing requirements specified in subdivision (7)(F).

(B) Any vapor collection and control system utilized shall be maintained in accordance to its certified configuration and with the manufacturer's specification and maintenance schedule.

(C) No elements or components of a vapor collection and control system shall be:

- (i) modified;
- (ii) removed;
- (iii) replaced; or
- (iv) otherwise rendered inoperative;

in a manner that prevents the system from performing in accordance with its certification and design specifications.

(D) A vapor collection and control system shall not be operated with defective, malfunctioning, missing, or noncertified components. The following requirements apply to a vapor collection and control system:

(i) All parts of the system that can be visually inspected must be checked daily by the operator of the facility for the following malfunctions:

(AA) Absence or disconnection of any component required to be used to certify the system.

(BB) A vapor hose that is crimped or flattened such that the vapor passage is blocked or severely restricted.

(CC) A nozzle boot that is torn in either of the following manners:

(aa) A triangular shaped or similar tear one-half (1/2) inch or more to a side or a hole one-half (1/2) inch or more in diameter or length.

(bb) Slit one (1) inch or more in length.

(DD) A faceplate or flexible cone that is damaged in the following manner:

(aa) For balance nozzles and nozzles for aspirator and educator assist type systems, damage shall be such that the capability to achieve a seal with a fill pipe interface is affected for one-fourth (1/4) of the circumference of the faceplate (accumulated).

(bb) For nozzles for vacuum assist type systems that use a flexible cone, having more than one-fourth (1/4) of the flexible cone missing.

(EE) A nozzle shutoff mechanism that malfunctions in any manner.

(FF) A vacuum producing device that is inoperative.

(ii) Any defect in the system that is discovered in item (i) will require the immediate shutdown of the affected pumps until proper repairs are made.

(iii) A signed daily log of the daily inspection in item (i) shall be maintained at the facility.

(iv) One (1) operator or employee of the gasoline dispensing facility shall be trained and instructed annually in the proper operation and maintenance of a vapor collection and control system.

(v) Instructions shall:

(AA) be posted in a conspicuous and visible place within the motor vehicle fuel dispensing area for the system in use at that station;

(BB) clearly describe how to fuel vehicles correctly with the vapor recovery nozzles utilized at that station; and

(CC) include a warning that repeated attempts to continue dispensing motor vehicle fuel after the system has indicated that the vehicle fuel tank is full may result in a spillage of fuel.

~~(3) Facilities subject to the requirements of subdivision (2) shall demonstrate compliance according to the following schedule:~~

~~(A) Six (6) months after promulgation in the case of gasoline dispensing facilities for which construction commenced after the date of enactment of the Clean Air Act Amendments of 1990 (November 15, 1990);~~

~~(B) One (1) year after promulgation in the case of gasoline dispensing facilities that dispense at least one hundred thousand (100,000) gallons of gasoline per month, based on average monthly sales for the two (2) year period prior to November 15, 1992;~~

~~(C) Two (2) years after promulgation in the case of all other gasoline dispensing facilities;~~

~~(D) Any gasoline dispensing facility described in both clauses (A) and (B) shall meet the requirements of clause (A);~~

~~(E) New facilities constructed after the promulgation of this rule shall comply with the requirements of subdivision (2) upon startup of the facility;~~

~~(F) Existing facilities previously exempted from, but that become subject to, the requirements of subdivision (2) shall comply with the requirements of subdivision (2) within one (1) year from the date the facility became subject.~~

~~(4) Any gasoline dispensing facility that becomes subject to the provisions of subdivision (2) at any time shall remain subject to the provisions of subdivision (2) at all times.~~

~~(5) (3) Any gasoline dispensing facility subject to subdivision (2) shall retain copies of all records and reports adequate to clearly demonstrate the following:~~

~~(A) That a certified vapor collection and control system has been installed and tested to verify its performance according to its specifications.~~

(B) That proper maintenance has been conducted in accordance with the manufacturer's specifications and requirements.

(C) The time period and duration of all malfunctions of the vapor collection and control system.

(D) The motor vehicle fuel throughput of the facility for each calendar month of the previous year.

(E) That operators and employees are trained and instructed in the proper operation and maintenance of the vapor collection and control system.

~~(6)~~ (4) All records and reports required in subdivision ~~(5)~~ (3) shall be made available to the department upon request. All records shall be retained for a period of two (2) years.

~~(7)~~ Within forty five (45) days after the installation of a vapor collection and control system, the owner or operator of the gasoline dispensing facility shall submit to the department a registration form, which shall be provided by the department of environmental management, office of air quality, that provides, at a minimum, the following:

~~(A)~~ The name, address, and telephone number of the facility.

~~(B)~~ The signature of the owner or operator.

~~(C)~~ The CARB executive order number for the vapor collection and control system to be utilized.

~~(D)~~ The number of nozzles, excluding diesel and kerosene, used for motor vehicle refueling.

~~(E)~~ The monthly average volume of motor vehicle fuel dispensed.

~~(F)~~ The date of completion of installation of the vapor collection and control system. Completion of installation includes the successful passing of a vapor leakage and blockage test. A vapor leakage and blockage test must, at a minimum, include the following:

~~(i)~~ A pressure decay or leak test.

~~(ii)~~ A dynamic pressure drop test.

~~(iii)~~ A liquid blockage test.

The results of these tests must be submitted with the registration form specified in this subdivision.

~~(8)~~ (5) All vapor collection and control systems shall be retested for vapor leakage and blockage, and successfully pass the test, at least every five (5) years or upon major system replacement or modification. A major system modification is considered to be replacing, repairing, or upgrading seventy-five percent (75%) or more of a vapor collection and control system of a facility.

(d) A stage II vapor recovery system at a gasoline dispensing facility in Clark, Floyd, Lake, or Porter counties must be maintained in accordance with subsection (c), unless the owner or operator decommissions the stage II vapor recovery system as follows:

(1) The owner or operator shall notify the department of the intent to decommission the stage II vapor recovery system.

(2) The owner or operator shall decommission the stage II vapor recovery system in accordance with section 14 of the 2009 "Recommended Practices for Installation and Testing of Vapor Recovery Systems at Vehicle Refueling Sites"* of the Petroleum Equipment Institute.

(3) The owner or operator shall complete decommissioning within one hundred (100) calendar days from notification to the department.

(e) After the effective date of this rule, a stage II vapor recovery system is not required in Clark, Floyd, Lake, or Porter counties for:

(1) a new gasoline dispensing facility; or

(2) an existing gasoline dispensing facility that has been decommissioned in accordance with subsection (d).

~~(e)~~ (f) Upon request by the department, the owner or operator of a gasoline dispensing facility that claims to be exempt from the requirements of this section shall submit records to the agency within thirty (30) calendar days from the date of the request that demonstrate that the gasoline dispensing facility is in fact exempt.

*This document is *These documents are incorporated by reference. Copies are available for review and copying at the Indiana Department of Environmental Management, Office of Air Quality, Legal Counsel, Indiana Government Center North, ~~Fenth~~ Thirteenth Floor, 100 North Senate Avenue, Indianapolis, Indiana 46204.

(Air Pollution Control Division; 326 IAC 8-4-6; filed Mar 10, 1988, 1:20 p.m.: 11 IR 2540; filed Aug 11, 1989, 1:40 p.m.: 13 IR 8; filed Nov 30, 1990, 4:20 p.m.: 14 IR 605; filed Oct 28, 1993, 5:00 p.m.: 17 IR 332; filed Sep 18, 1995, 3:00 p.m.: 19 IR 203; errata filed Dec 11, 1995, 3:00 p.m.: 19 IR 674; filed Jul 30, 1996, 2:00 p.m.: 19 IR 3349; errata filed Feb 18, 1997, 4:00 p.m.: 20 IR 1738; readopted filed Jan 10, 2001, 3:20 p.m.: 24 IR 1477; filed Aug 26, 2004, 11:30 a.m.: 28 IR 47; filed Apr 15, 2010, 4:05 p.m.: 20100512-IR-326070353FRA)

Notice of Public Hearing

Posted: 10/01/2014 by Legislative Services Agency
An [html](#) version of this document.

Notice of Public Hearing

LSA Document #12-636

Notice of Public Hearing

Under IC 4-22-2-24, IC 13-14-8-6, and IC 13-14-9, notice is hereby given that on November 12, 2014, at 1:30 p.m., at the Indiana Government Center South, 302 West Washington Street, Conference Center Room A, Indianapolis, Indiana, the Environmental Rules Board will hold a public hearing on amendments to 326 IAC 2-11-2, 326 IAC 8-4-1, and 326 IAC 8-4-6 concerning stage II vapor recovery requirements in Clark, Floyd, Lake, and Porter counties.

The purpose of this hearing is to receive comments from the public prior to final adoption of these rules by the board. All interested persons are invited and will be given reasonable opportunity to express their views concerning the proposed amendments. Oral statements will be heard, but, for the accuracy of the record, all comments should be submitted in writing.

Additional information regarding this action may be obtained from Christine Pedersen, Rules Development Branch, Office of Legal Counsel, (317) 233-5684 or (800) 451-6027 (in Indiana).

Individuals requiring reasonable accommodations for participation in this event should contact the Indiana Department of Environmental Management, Americans with Disabilities Act coordinator at:

Attn: ADA Coordinator

Indiana Department of Environmental Management

Indiana Government Center North

100 North Senate Avenue

Indianapolis, IN 46204-2251

or call (317) 233-1785 (V). Speech and hearing impaired callers may contact IDEM via the Indiana Relay Service (711) or (800) 743-3333. Please provide a minimum of 72 hours notification.

Copies of these rules are now on file at the Rules Development Branch, Office of Legal Counsel, Indiana Department of Environmental Management, Indiana Government Center North, 100 North Senate Avenue, Thirteenth Floor and Legislative Services Agency, Indiana Government Center North, 100 North Senate Avenue, Room N201, Indianapolis, Indiana and are open for public inspection.

Nancy King, Chief
Rules Development Branch
Office of Legal Counsel

Posted: 10/01/2014 by Legislative Services Agency

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ENVIRONMENTAL RULES BOARD MEETING

ORIGINAL

Transcript of the proceedings held on the 12th day of
November, 2014, at 402 West Washington Street, Conference
Room A, Indianapolis, Indiana, before Heather S. Orbaugh,
Notary Public in and for the County of Boone, State of
Indiana, CCR: LA.

ACCURATE REPORTING OF INDIANA
William F. Daniels, Prop., RPR/CP, CM
12922 Brighton Avenue
Carmel, Indiana 46032
(317) 848-0088

1 A P P E A R A N C E S

2

3 Sen. Beverly Gard - Chair

4 William Etzler - Vice Chair

5 Tom R. Anderson

6 Gary Powdrill

7 Dr. Ted Niemiec

8 Joanne Alexandrovich

9 Cal Davidson

10 Chris Horn

11 Gail Boydston

12 Pam Fisher - IEDC Proxy

13 Mike Mettler - IDOH Proxy

14 Cameron Clark - IDNR Director

15 Ken Rulon

16 Kent Abernathy - IDEM Chief of Staff

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1:30 PM

NOVEMBER 12, 2014

SEN. GARD: Let's go around the room and everybody introduce themselves and tell who they represent because I think we have some folks in the room who probably aren't particularly familiar with this board.

MR. ABERNATHY: Ken Abernathy, I am the Chief of Staff of IDEM.

MR. RULON: Ken Rulon representing agriculture.

MR. CLARK: Cameron Clark representing DNR.

MR. METTLER: Mike Mettler, proxy for the State Health Commissioner, Dr. Jerome Adams.

MS. FISHER: Pam Fisher proxy for Secretary of Commerce Victor Smith.

MS. BOYDSTON: Gail Boydston, representing manufacturing.

SEN. GARD: Beverly Gard, general public.

MR. ETZLER: Bill Etzler, small business.

MR. ANDERSON: Tom Anderson, environmental.

MR. POWDRILL: Gary Powdrill, public at large.

DR. NIEMIEC: Ted Niemiec, healthcare.

DR. ALEXANDROVICH: Joanne Alexandrovich,

1 county government.

2 MR. DAVIDSON: Calvin Davidson, solid waste
3 and recycling.

4 MR. HORN: Chris Horn representing labor.

5 SEN. GARD: Thank you very much. The first
6 order of business is to approve the summary of the minutes
7 for September 10, 2014. Is there a motion to approve them
8 as distributed?

9 MR. HORN: So moved.

10 DR. NIEMIEC: Second.

11 SEN. GARD: All in favor, aye.

12 (Ayes heard.)

13 SEN. GARD: Those opposed, nay.

14 MR. DAVIDSON: Madam Chairman, I wasn't
15 present so I thought I should abstain.

16 SEN. GARD: Thank you. Motion passes.

17 MR. HORN: So moved.

18 SEN. GARD: Ken Abernathy, Commissioner's
19 report.

20 MR. ABERNATHY: Thank you, Madam Chairwoman
21 and members of the Board and guests. First of all, I
22 apologize, Commissioner Easterly is in Chicago today with
23 Region Five USEPA, and there is really just two big issues
24 we have going on. It is on two major USEPA initiatives, it
25 is providing comments for submission to USEPA first on the

1 SEN. GARD: Yes.

2 DR. NIEMIEC: Okay. Thanks.

3 SEN. GARD: We are probably going to be
4 finding those things for years. Thank you. Is there a
5 board motion to preliminarily adopt the rule?

6 MR. ANDERSON: So moved.

7 MR. RULON: Second.

8 SEN. GARD: All in favor say aye.

9 (Aye heard.)

10 SEN. GARD: Opposed, nay. The motion has
11 passed.

12 This is a public hearing before the Environmental
13 Rules Board for the State of Indiana concerning Final
14 Adoption of Amendments to Rules at 326 IAC 2 and 326 IAC 8
15 concerning Stage II Vapor Recovery Systems. I will now
16 introduce Exhibit B, the Preliminary Adopted Rules with
17 IDEM Suggested Changes into the record of the hearing.
18 Chris, do you want to present that?

19 (Exhibit B marked.)

20 MS. PEDERSEN: Again, I am Chris Pedersen
21 with the Rules Development Branch. This is a rule that was
22 before you in September and was preliminarily adopted.
23 Under the Clean Air Act, Stage II Vapor Recovery Systems
24 were required on gas pumps in certain ozone noncontainment
25 areas. Technology is designed to control gas line vapors

1 that can react with sunlight, nitrogen oxides, and other
2 volatile organic compounds to form ozone. In 2012 USEPA
3 determined that Stage II requirements may no longer be
4 needed since most vehicles on the road have onboard
5 refueling vapor recovery equipment making the Stage II
6 systems redundant. In accordance with USEPA guidance, IDEM
7 conducted emission inventory analysis to determine when
8 Stage II vapor recovery requirements could be removed in
9 Indiana without impacting emission reductions. The
10 analysis showed that Stage II systems would no longer be
11 needed in 2016, but since the Stage II requirements began
12 being phased out in 2013, IDEM has prepared a demonstration
13 that accounts for the potential loss reductions from Stage
14 II requirements with reductions achieved through shutdown
15 credits and other programs that are not currently in the
16 state implementation plan. This demonstration will
17 accompany the rule revision submitted to USEPA to support
18 modification to the state implementation plan. This
19 rulemaking amends 326 IAC 2-11-2 326 IAC 8-4-1, and 326 IAC
20 8-4-6, Turbo Stage II vapor recovery system requirements in
21 Clark, Floyd, Lake, and Porter Counties and to update
22 information for consistency with USEPA guidance and the
23 results of IDEM's analysis specific to Indiana.

24 The only changes to this rule since you saw it in
25 September were minor administrative changes to conform to

1 the legislative services agency's drafting requirements and
2 also the removal of an obsolete reference. IDEM recommends
3 that the board final adopt this proposed rule. Program
4 staff are here to answer any questions.

5 SEN. GARD: Are there any questions of
6 Chris?

7 MR. POWDRILL: Chris, on Page 6 of 10 at the
8 bottom, I guess it would be Section 1.

9 MS. PEDERSEN: Okay.

10 MR. POWDRILL: It talks about
11 decommissioning, and I -- the way I read it, it says they
12 have to -- each gas dispensing facility has to decommission
13 their Stage II Vapor Recovery System or else they have to
14 continue running it; is that the way I interpreted it?

15 MS. PEDERSEN: That's correct.

16 MR. POWDRILL: And there is a specific
17 method for which they decommission it?

18 MS. PEDERSEN: Correct.

19 MR. POWDRILL: I don't understand why.

20 MS. PEDERSEN: The pumps that have the
21 system on now, as long as they maintain the equipment on
22 it, they have to maintain it in accordance with the rule.
23 If they choose to decommission it, then they decommission
24 it in accordance with the rule, but they have that option.

25 MR. POWDRILL: So they have to take the

1 stuff off.

2 MS. PEDERSEN: If they take it off, they
3 just have to do it in accordance with the rule. And new
4 pumps would not have to have the equipment at all.

5 MR. POWDRILL: When they take it off does
6 the agency have to sign off on it or anything of that
7 nature?

8 MS. PEDERSEN: No.

9 MR. POWDRILL: Just by taking it off it is
10 considered decommissioned?

11 MS. PEDERSEN: They do have to notify us.

12 MR. POWDRILL: Okay. Thank you.

13 SEN. GARD: Any other questions?

14 DR. ALEXANDROVICH: The submission
15 demonstration that the equivalent emissions reductions from
16 this and other things, is that available to us and to the
17 public, and if EPA doesn't approve it, how does that affect
18 our rulemaking?

19 MS. PEDERSEN: As far as availability,
20 Roger, do you know if -- is it completed? Do you know if
21 we have completed the demonstration? I think it is
22 drafted. That would be available when it is completed. As
23 far as if it is not adopted by USEPA, that does not
24 actually affect the status of the state rule, it would
25 still be in effect. And we work with EPA closely on these

1 things so they are aware of what we are doing, and to the
2 best of our knowledge, they are not going to have any
3 issues with this.

4 DR. ALEXANDROVICH: Can you send that out to
5 the board once it's complete?

6 MS. PEDERSEN: Sure.

7 SEN. GARD: Any other questions? I guess
8 the hearing is completed.

9 This board will now consider final adoption of
10 amendments to Stage II Vapor Recovery Rules. Is there
11 discussion by the board? Is there a motion to adopt IDEM's
12 suggested changes?

13 MR. DAVIDSON: So moved.

14 MR. CLARK: Seconded.

15 SEN. GARD: All those in favor say aye.

16 (Aye heard.)

17 SEN. GARD: Those opposed, nay. Motion
18 passes. Motion should be made to final adopt the rule as
19 amended. Is there a motion?

20 MR. RULON: So moved.

21 SEN. GARD: Second?

22 MR. POWDRILL: Second.

23 SEN. GARD: This is a role call vote.

24 Mr. Rulon?

25 MR. RULON: Yay.

1 SEN. GARD: Dr. Alexandrovich?

2 DR. ALEXANDROVICH: Yes.

3 SEN. GARD: Dr. Niemiec?

4 DR. NIEMIEC: Yes.

5 SEN. GARD: Mr. Powdrill?

6 MR. POWDRILL: Yes.

7 SEN. GARD: Mr. Anderson?

8 MR. ANDERSON: Yes.

9 SEN. GARD: Mr. Etzler?

10 MR. ETZLER: Yes.

11 SEN. GARD: Ms. Boydston?

12 MS. BOYDSTON: Yes.

13 SEN. GARD: Mr. Davidson?

14 MR. DAVIDSON: Yes.

15 SEN. GARD: Mr. Horn?

16 MR. HORN: Yes.

17 SEN. GARD: Ms. Fisher?

18 MS. FISHER: Yes.

19 SEN. GARD: Mr. Mettler?

20 MR. METTLER: Yes.

21 SEN. GARD: Mr. Clark?

22 MR. CLARK: Yes.

23 SEN. GARD: And the chair votes yes. 13 to
24 nothing, the rule is adopted.

25 This is a public hearing before the Environmental

1 the establishment of a development of a climate action
2 plan. So that would be the advice that I would give you
3 because that is the policy making body of this state. But
4 now is the time to do it.

5 Any further comment? Okay. The next meeting will
6 be Wednesday, January 14, 2015 at 1:30 in this conference
7 room. Hopefully we won't be snowed in. With that is there
8 a motion to adjourn?

9 MR. POWDRILL: So moved.

10 SEN. GARD: Is there a second?

11 MR. RULON: Second.

12 SEN. GARD: All in favor, say aye.

13 (Aye heard.)

14 SEN. GARD: We are adjourned.

15 (Proceedings adjourned at 3:14 p.m.)

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1 CERTIFICATE

2 STATE OF INDIANA)
3 COUNTY OF BOONE) ss:

4

5 I, Heather S. Orbaugh, the undersigned Court Reporter
6 and Notary Public residing and maintaining offices in the
7 City of Zionsville, Boone County, Indiana, do hereby
8 certify:

9

10 That I reported to the best of my ability in machine
11 shorthand all of the words spoken by all parties in
12 attendance during the course of the ensuing proceedings,
13 including objections, if any, made by all counsel present;

14 That I later reduced my shorthand notes into the
15 foregoing typewritten transcript form, which typewritten
16 transcript is a true record to the best of my ability of
17 the testimony given by the witness as stated above;

18

19 That I am not a relative or employee or attorney or
20 counsel of any of the parties, nor am I a relative or an
21 employee of such attorney or counsel, and that I am not
22 financially interested in this action.

23

24 IN WITNESS HERETO, I have affixed my Notarial Seal and
25 subscribed my signature below this 20th day of November,
2014.

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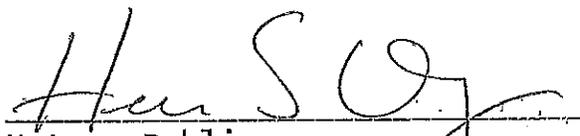
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Notary Public
County of Residence: Boone (Seal)
My Commission Expires on: April 27, 2017

1

Attachment I

Technical Support Document

Request for State Implementation Plan Revision to
Remove Stage II Gasoline Vapor Recovery Systems

Clark, Floyd, Lake, and Porter Counties, Indiana

Developed By:
The Indiana Department of Environmental Management

April 2015

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List of Appendices

- Appendix A: Indiana Widespread Use Analysis
- Appendix B: Offset Emissions Documentation
- Appendix C: Revocation of Part 70 Operating Permit for the State Line Energy Facility
- Appendix D: Facilities Requesting Exemption from Stage II Requirements Under Indiana Nonrule Policy Document Air-036
- Appendix E: Public Participation

1.0 Introduction and Background

There are four (4) counties in Indiana which are required by 326 Indiana Administrative Code (IAC) 8-4-6(c)(1) to implement Stage II Vapor Recovery Systems (VRS). They are Clark, Floyd, Lake, and Porter counties. These counties were initially required to implement Stage II VRS because they were classified moderate nonattainment or above under the 1-hour ozone standard, which was revoked on June 15, 2005.

However, the Clean Air Act (CAA) required automobile manufacturers to add Onboard Refueling Vapor Recovery Systems (ORVR) to automobiles and other vehicles in a phased approach starting in 1998. Since 2006, all new light and medium duty cars, vans, and trucks are equipped with ORVR. On May 9, 2012, the United States Environmental Protection Agency (U.S. EPA) determined that, in general, ORVR is in widespread use throughout the highway motor vehicle fleet and that Stage II VRS provide increasingly less air pollution reduction beyond what is provided by ORVR and is not as cost-effective as the ORVR technology. Consequently, effective May 16, 2012 (77 Federal Register 28772), U.S. EPA exercised its authority under Section 202(a)(6) of the Federal Clean Air Act and waived the requirements for Stage II VRS at gasoline dispensing facilities (GDFs). Thus, any state currently implementing Stage II programs may decide to seek SIP revisions that, once approved by U.S. EPA, would allow them to phase out Stage II control systems.

As a result of U.S. EPA's waived requirements, in January 2013, Indiana initiated a Nonrule Policy Document (NPD) exercising its enforcement discretion under Section 202(a)(6) of the CAA waiving the requirements for Stage II VRS at new and modified gasoline dispensing facilities in Clark, Floyd, Lake, and Porter counties. This NPD became effective April 12, 2013. Indiana also initiated a rulemaking to revise its State Implementation Plan (SIP) to remove Stage II requirements for all facilities in Clark, Floyd, Lake, and Porter counties. As part of that rulemaking, an analysis, using U.S. EPA recommended methodologies, was completed specific to Indiana. It was concluded that, during calendar year 2016, ORVR would be in widespread use in Indiana and that there would be no remaining emissions reduction benefit from Stage II VRS beyond the benefit from ORVR.

By eliminating the Stage II VRS requirement from the SIP for Clark, Floyd, Lake, and Porter counties, an increase in emissions of volatile organic compounds (VOCs) is expected. Such an increase, by itself, has the potential to interfere with the ability to attain and maintain compliance with the 2008 8-hour National Ambient Air Quality Standard (NAAQS) for ground-level ozone. Under Section 110(l) of the CAA, U.S. EPA cannot approve a SIP revision if it would interfere with the attainment of the NAAQS, reasonable further progress toward attainment, or any other applicable requirement of the CAA. Conversely, U.S. EPA can approve a SIP revision if it can be shown that approval of the revision would not interfere with the attainment of the NAAQS, reasonable further progress toward attainment, or any other applicable requirement of the CAA.

As mentioned above, Indiana issued, in 2013, a NPD exercising its enforcement discretion to waive the requirements for Stage II VRS at new and modified gasoline dispensing facilities in Clark, Floyd, Lake and Porter counties. However, widespread use of ORVR, which would negate the VOC emissions increase, will not occur until 2016. This document addresses the

period, 2013 – 2015, when the Stage II VRS requirements were waived but widespread use of ORVR has not yet occurred.

2.0 Affected CAA Provisions

There are three (3) main CAA provisions that affect U.S. EPA's ability to propose approval of any SIP revision seeking to discontinue an existing SIP-approved Stage II control program. These are: Section 184(b)(2), Section 193, and Section 110(l).

2.1 Section 184(b)(2)

This section applies to any area of the northeast Ozone Transport Region (OTR). The states of Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, Virginia and the District of Columbia are in the OTR and subject to Section 184(b)(2). Indiana is not part of the OTR and is thus not subject to this section.

2.2 Section 193

This section applies to any current nonattainment areas that adopted a Stage II control program into its SIP prior to November 15, 1990. Indiana did not adopt a Stage II control program into a SIP prior to November 15, 1990.

2.3 Section 110(l)

Guidance from U.S. EPA (EPA-457/B-12-001, August 7, 2012) states that a SIP revision that eliminates a Stage II control program can be approved if it can be demonstrated that, when combined with contemporaneous emission decreases, a net emissions increase does not occur. As such, Indiana is proposing to use emission decreases to offset the emission increases due to the removal of the Stage II VRS in Clark, Floyd, Lake, and Porter counties. These emission reductions will be quantifiable, permanent, and enforceable.

For each of the two areas, Clark/Floyd and Lake/Porter, it must be shown that for each year prior to the widespread use of ORVR (i.e. 2013, 2014, and 2015), that there are emission decreases available to offset the absence of emission reductions due to the removal of Stage II VRS equipment.

3.0 Emission Inventory Analysis

3.1 Lake and Porter Counties

For Lake and Porter counties, Indiana is proposing to use emission reductions associated with the shutdown of the State Line Energy Generating Plant (State Line Energy) formerly located in Lake County, Indiana. State Line ceased operations on March 31, 2012. Using the last three full

years of operation (2009 – 2011) State Line Energy averaged 0.215 tons of VOCs per ozone summer day of emission offsets.

Table 1 shows the increase of emissions associated with the removal of Stage II VRS at facilities in Lake and Porter counties, as well as offset emissions associated with State Line Energy. In the table, the number of facilities removing Stage II VRS equipment for 2013 represents the actual number of facilities that have sought an exemption from implementing the Stage II requirements. For 2014 and 2015, the number of facilities removing Stage II VRS equipment is a conservative estimate. The actual number of facilities may be less, thus making the emissions increase less.

Table 1
Lake and Porter Counties Offset Analysis

Year	Number of Facilities Removing Stage II*	Emissions Factor VOC Tons/Facility/Avg. Summer Day	Emissions Increase VOC Tons/Avg. Summer Day	State Line Energy Offsets VOC Tons/Avg. Summer Day (Avg. of 2009-2011)	Offset Greater Than Increase?
2013	6	0.000944006	0.005664035	0.215	Yes
2014	12	0.000654335	0.007852014	0.215	Yes
2015	24	0.000402349	0.009656365	0.215	Yes

* - Based on actual data for 2013; 2014 and 2015 are conservatively estimated.

As illustrated in Table 1, and documented in Appendices B, C, D, and E, for Lake and Porter counties, for each year prior to the widespread use of ORVR in Indiana (2016), the VOC emissions increase associated with the removal of Stage II VRS is more than offset by the VOC emission reductions attributed to the permanent closure of the State Line Energy facility.

3.2 Clark and Floyd Counties

For Clark and Floyd counties, Indiana is proposing to use emission reductions from Architectural and Industrial Maintenance (AIM) coatings. Calculated from the 2011 NEI Version 1, 0.234 tons of VOCs per ozone summer day are available for offsets.

Table 2 shows the increase of VOC emissions associated with the removal of Stage II at facilities in Clark and Floyd, as well as offset emissions associated with AIM coatings. In the table, the number of facilities removing Stage II equipment for 2013 represents the actual number of facilities that have sought an exemption from implementing the Stage II requirements; for 2014 and 2015, the number of facilities removing Stage II equipment is a conservative estimate. The actual number of facilities may be less, thus making the emissions increase less.

Table 2
Clark and Floyd Counties Offset Analysis

Year	Number of Facilities Removing Stage II*	Emissions Factor VOC Tons/Facility/Avg. Summer Day	Emissions Increase VOC Tons/Avg. Summer Day	AIM Coatings Offsets VOC Tons/Avg. Summer Day (Avg. of 2009-2011)	Offset Greater Than Increase?
2013	0	0.000659923	0.0	0.292	Yes
2014	4	0.000457424	0.001829695	0.292	Yes
2015	8	0.000281269	0.002250149	0.292	Yes

* - Based on actual data for 2013; 2014 and 2015 are conservatively estimated.

As illustrated in Table 2, and documented in Appendices B, C, and E, for Clark and Floyd counties, for each year prior to the widespread use of ORVR in Indiana (2016), the VOC emissions increase associated with the removal of Stage II VRS is more than offset by the VOC emission reductions attributed to reductions in AIM coatings emissions.

Note that for both the Clark/Floyd and Lake/Porter analyses, Indiana is requesting to use only the portion of the emission credits necessary to offset the emissions increase due to the removal of Stage II VRS. Indiana retains the right to utilize any remaining emission offsets in the future.

4.0 Economic Analysis

U.S. EPA estimates, in its Stage II Guidance, that for an average size GDF, the annual cost to maintain existing Stage II systems is approximately \$3,000 per year. Removing Stage II VRS control equipment will eliminate expenses associated with operating Stage II systems. U.S. EPA estimates the potential national cost savings for facilities decommissioning Stage II VRS to be over \$91 million annually¹.

Page 22 of the Stage II Guidance states that “States that wish to phase out Stage II controls do not necessarily need to wait until the foregone emission control approaches zero before seeking a SIP revision. There may come a point where retaining Stage II controls is otherwise unattractive for cost and cost-effectiveness reasons...the foregone emission reductions are small enough that the loss of control would not affect compliance with the NAAQS.”

IDEM has determined that it is cost prohibitive to maintain a Stage II VRS control program in Clark, Floyd, Lake, and Porter counties. Using the information supplied in the Stage II Guidance, IDEM calculated the cost of operating a Stage II control program. As noted in Table 3, using the more conservative Lake/Porter calculations as an example and as documented in Appendix B, when comparing 2015 to 2016, there is a 52% reduction in tons of ozone/ozone season day, but a 107% increase in the cost/ton/ozone season day for the same period. When

¹ EPA Fact Sheet “Final Rule Determining Widespread Use of Onboard Refueling Vapor Recovery and Waiver of Stage II Requirements.” 2012

2016 is compared to 2017, a much larger increase in cost is noted when compared to the decrease in emissions; 594% increase in cost/tons/ozone season day and an 86% reduction in tons of ozone/ozone season day.

Table 3
Lake and Porter Counties Economic Analysis

Year	Ozone Per Ozone Season Day (Tons)	% Reduction in Tons of Ozone/Ozone Season Day	Cost Per Ozone Season Day (Per Ton)	% Increase in Cost
2011	0.576334176	-----	\$4,598.88	-----
2012	0.428623364	26%	\$6,183.73	34%
2013	0.324738027	24%	\$8,161.94	32%
2014	0.225091069	31%	\$11,775.20	44%
2015	0.1384079	39%	\$19,149.86	63%
2016	0.066837538	52%	\$39,655.74	107%
2017	0.009633975	86%	\$275,119.24	594%
2018	-0.019183476	NA	(\$138,165.36)	NA
2019	-0.060333644	NA	(\$43,930.58)	NA
2020	-0.095194005	NA	(\$27,843.05)	NA

5.0 Conclusion

Indiana requests that the U.S. EPA-approved State Implementation Plan for Clark and Floyd counties and for Lake and Porter counties be revised as provided in Appendix A to remove the requirement of Stage II VRS at gasoline dispensing facilities. Stage II VRS have provided significant air quality benefits but are now becoming less effective. Indiana concluded, using U.S. EPA recommended equations, that in 2016, there is no remaining emissions reduction benefit from Stage II VRS relative to the benefit from ORVR emission control systems. In addition, Indiana has demonstrated that emission decreases are available to more than offset a conservatively estimated emission increase due to the removal of Stage II VRS. Lastly, Indiana concluded that the cost of the Stage II Control Program greatly outweighs the amount of emission reductions received. Therefore, Indiana requests that 2015 be the last year that Stage II VRS are required in Clark, Floyd, Lake and Porter counties.

Appendix A

Indiana Widespread Use Analyses

Clark and Floyd

Term	Values/Sources	Term	Sources							
η_{II}	In-use Stage II control efficiency 0.86 Based on 1985 guidance	# of Establishments	IDEM 100							
QSI	Fraction of gasoline throughput covered by Stage II VRS 0.9	Average Annual Cost	Maintenance costs per page 22 of guidance \$ 3,000.00							
	2014 0.89 Decreasing QSI over time									
	2015 0.87									
	2016 0.85									
	2017 0.83									
QSIva	Fraction of gasoline throughput covered by traditional vacuum assist Stage II VRS 0.95	Emission Factor	Per formula page 20 6.535 lb/1000 gal							
VMTORVR	Fraction of annual VMT of gasoline-powered highway motor vehicles by ORVR equipped vehicles	Summer Sales Ratio	51%							
CF	Compatibility factor term 0.0777 Using Qorvr, see table below									
QORVR	Fraction of annual gallons of highway motor gasoline dispensed to ORVR-equipped vehicles									
η_{ORVR}	ORVR in-use control efficiency 0.98									
Growth in Consumption	Average annual change of 10 Years of SEDS data 1.0005194									
Gallons										
Year	1000 Gal	% Gas Dispensed	C Factor	Excess Emissions (tons/year)	Equation 1 Increment	Equation 2 Delta	O3 Season (tons)	Seasoday (tons)	Average Per Facility using Stage II	Cost/Ton/Seasoday
2006		0.492								
2007		0.555								
2008	74,582.81	0.605	0.0470085	8.705491525	0.261071925	0.136441925				
2009	74,582.81	0.648	0.0503496	7.757805106	0.22461588	0.09112788				
2010	74,582.81	0.695	0.0540015	6.72196181	0.184768575	0.041598575				
2011	74,582.81	0.739	0.0574203	5.752236172	0.147464715	-0.004769285	18.43250065	0.100724047	0.00117121	\$ 6,578.60
2012	70,973.44	0.777	0.0603729	4.676901361	0.115247745	-0.044814255	13.70836705	0.07490911	0.000871036	\$ 8,845.69
2013	71,010.30	0.81	0.062937	3.986873557	0.08726985	-0.07959015	10.38587357	0.056753407	0.000659923	\$ 11,675.47
2014	71,047.19	0.84	0.065268	3.359111023	0.0604594	-0.1198046	7.198933285	0.039338433	0.000457424	\$ 16,844.16
2015	71,084.09	0.865	0.0672105	2.835722035	0.037157025	-0.163349975	4.426604942	0.024189098	0.000281269	\$ 27,393.45
2016	71,121.01	0.886	0.0688422	2.395853478	0.01793391	-0.20268009	2.137619142	0.011680979	0.000135825	\$ 56,726.66
2017	71,157.95	0.903	0.0701631	2.039635919	0.002583655	-0.237794945	0.3081168	0.001683698	1.95779E-05	\$ 393,552.06
2018	71,194.91	0.919	0.0714063	1.704085771	-0.005141985	-0.194455985	-0.613531941	-0.003352634	-3.89841E-05	\$ (197,642.52)
2019	71,231.89	0.932	0.0724164	1.431333573	-0.01616358	-0.20815558	-1.929609563	-0.010544315	-0.000122608	\$ (62,841.73)
2020	71,268.89	0.943	0.0732711	1.200417491	-0.025489545	-0.219747545	-3.044524568	-0.016636746	-0.000193451	\$ (39,828.88)
Bold indicates base year of gasoline sales										
2012 Updated from EIA										

Lake and Porter

Term	Values/Sources			Term	Sources					
η_{II}	In-use Stage II control efficiency	0.85	Based on 1985 guidance	# of Establishments	IDEM	400				
QSII	Fraction of gasoline throughput covered by Stage II VRS	0.9		Average Annual Cost	Maintenance costs per page 22 of guidance	\$ 3,000.00				
	2014	0.89	Decreasing QSII over time							
	2015	0.87								
	2016	0.85								
	2017	0.83								
QSIIva	Fraction of gasoline throughput covered by traditional vacuum assist Stage II VRS	0.95		Emission Factor	Per formula page 20	6.535 lb/1000 gal				
VMTORVR	Fraction of annual VMT of gasoline-powered highway motor vehicles by ORVR equipped vehicles			Summer Sales Ratio		51%				
CF	Compatibility factor term	0.0777	Using Qorvr, see table below							
QORVR	Fraction of annual gallons of highway motor gasoline dispensed to ORVR-equipped vehicles									
η_{ORVR}	ORVR in-use control efficiency	0.98								
	Average annual change of 10 Years of SEDS data	1.0005194								
Gallons	1000 Gal	% Gas Dispensed	C Factor	Excess Emissions (tons/year)	Equation 1 Increment	Equation 2 Delta	O3 Season (tons)	Seasonday (tons)	Average Per Facility using Stage II	Cost/Ton/Seasonday
Year										
2006		0.492								
2007		0.555								
2008	426,756.28	0.605	0.0470085	49.81205999	0.261071925	0.136441925			0.00167539	\$ 4,598.88
2009	426,756.28	0.648	0.0503496	44.38948131	0.22461588	0.09112788			0.001245998	\$ 6,183.73
2010	426,756.28	0.695	0.0540015	38.4624767	0.184768575	0.041588575			0.000944006	\$ 8,161.94
2011	426,756.28	0.739	0.0574203	92.91379154	0.147464715	-0.004769285	105.4691542	0.576334176	0.00167539	\$ 4,598.88
2012	406,103.81	0.777	0.0603729	26.76081994	0.115247745	-0.044814255	78.43807555	0.428623364	0.001245998	\$ 6,183.73
2013	406,314.74	0.81	0.062937	22.81254128	0.08726985	-0.07959015	59.42705886	0.324738027	0.000944006	\$ 8,161.94
2014	406,525.78	0.84	0.065268	19.22053905	0.0604594	-0.1198046	41.1916657	0.225091069	0.000654335	\$ 11,775.20
2015	406,736.93	0.865	0.0672105	16.2257531	0.037157025	-0.163349975	25.32864575	0.1384079	0.000402349	\$ 19,149.86
2016	406,948.19	0.886	0.0688422	13.70886375	0.01793991	-0.20268009	12.2312695	0.066837538	0.000194295	\$ 39,655.74
2017	407,159.56	0.903	0.0701631	11.67061808	0.002583655	-0.237794945	1.763017342	0.009633975	2.80057E-05	\$ 275,119.24
2018	407,371.04	0.919	0.0714063	9.750629521	-0.005141985	-0.194455985	-3.510576026	-0.019183476	-5.57659E-05	\$ (138,165.36)
2019	407,582.63	0.932	0.0724164	8.189965331	-0.01616358	-0.20815558	-11.04105891	-0.060333644	-0.000175389	\$ (43,930.58)
2020	407,794.33	0.943	0.0732711	6.868683741	-0.025489545	-0.219747545	-17.42050291	-0.095194005	-0.000276727	\$ (27,843.05)
Bold indicates base year of gasoline sales										
2012 Updated from EIA										

Appendix B

Offset Emissions Documentation

Clark and Floyd

State and County FIPS Code	County	scc	Source	Pollutant	Emissions Tons/Year	Emissions Ton/Summer Day
18019	Clark	2401001000	Architectural Coatings	VOC	128.9715	0.459350548
18019	Clark	2401008000	Traffic Markings	VOC	0.1385015	0.000493293
18019	Clark	2401100000	Industrial Maintenance Coatings	VOC	33.2417	0.118395096
18019	Clark	2401200000	Special Purpose Coatings	VOC	3.527425	0.012563432
18043	Floyd	2401001000	Architectural Coatings	VOC	87.2565	0.310776575
18043	Floyd	2401008000	Traffic Markings	VOC	0.084229	0.000299994
18043	Floyd	2401100000	Industrial Maintenance Coatings	VOC	22.48985	0.080100836
18043	Floyd	2401200000	Special Purpose Coatings	VOC	2.386495	0.008499845
	Total Reduction %	Federal AIM Rule Reduction %	Emissions after Federal AIM Rule Reduction Tons/Summer Day	Additional Reduction % Necessary To Achieve Total Reduction %	Emissions After Further Control Tons/Summer Day	Offset Tons/Summer Day
	38.8%	20.0%	0.367480438	0.235	0.281122535	0.107947379
	56.4%	20.0%	0.000394634	0.455	0.000215076	0.000224448
	60.5%	20.0%	0.094716077	0.50625	0.046766063	0.059937517
	60.5%	20.0%	0.010050745	0.50625	0.004962555	0.006360237
	38.8%	20.0%	0.24862126	0.235	0.190195264	0.073032495
	56.4%	20.0%	0.000239995	0.455	0.000130797	0.000136497
	60.5%	20.0%	0.064080668	0.50625	0.03163983	0.040551048
	60.5%	20.0%	0.006799876	0.50625	0.003357439	0.004303047
2011 NEI Version 1 emission estimates					Total Offsets Available	0.292492669
LADCO Guidance on the reductions and the summerday calculation http://www.ladco.org/reports/control/white_papers/aim_coatings.pdf						

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Facility	ID	Inventory Year	Unit ID	Unit Description	WNTR	SPRN	SUMR	FALL	Days/Week	Weeks/Year	Hours/Day	Hours/Year	Process ID	EMITS ID	STATUS	Process Description	Pollutant	Tons/Year	Tons/Summer Day
State Line Energy, LLC	1808900210	2009	002	#4 Cyclone Coal-Fired BLR	32	10	27	31	7	48	24	7698	01	2902	3	Unit 4 Coal Emissions	VOC	50.78964	0.122592796
State Line Energy, LLC	1808900210	2009	010	AUX Emergency Generator	3	92	3	2	1	25	2	155	01	2902	3	Distillate Oil Fuel Stk11	VOC	0.0738	0.001853515
State Line Energy, LLC	1808900210	2009	019	TIOGA Space Heater	60	20	0	20	5	12	12	720	01	2902	3	TIOGA Space Heater	VOC	0.0495	0.000076154
State Line Energy, LLC	1808900210	2009	020	WABASH Package BLR	1	87	0	12	1	1	1	1	01	2902	3	WABASH Package BLR Stk18	VOC	0	0.000000000
State Line Energy, LLC	1808900210	2009	021	#3 Coal-Fired BLR	32	11	26	31	7	46	24	7536	01	2902	3	Coal as fuel Emissions	VOC	19.58295	0.046913001
State Line Energy, LLC	1808900210	2009	200	#4 Boiler - Natural Gas	6	21	48	25	7	48	24	605	01	2902	3	Unit 4 Gas Emissions	VOC	0.06875	0.000265632
State Line Energy, LLC	1808900210	2009	300	#3 Boiler - Natural Gas	22	21	34	23	7	48	24	114	01	2902	3	Unit 3 Nat Gas Emissions	VOC	0.37675	0.001152193
																		Total	0.172853291
State Line Energy, LLC	1808900210	2010	002	#4 Cyclone Coal-Fired BLR	26	22	30	22	7	48	24	8061	01	3596	3	Unit 4 Coal Emissions	VOC	64.41567	0.184044771
State Line Energy, LLC	1808900210	2010	010	AUX Emergency Generator	11	57	19	13	1	25	6	155	01	3596	3	Distillate Oil Fuel Stk11	VOC	0.0246	0.000581695
State Line Energy, LLC	1808900210	2010	019	TIOGA Space Heater	68	23	0	9	5	12	12	720	01	3596	3	TIOGA Space Heater	VOC	0.044	0.000062209
State Line Energy, LLC	1808900210	2010	020	WABASH Package BLR	19	95	0	46	1	1	1	1	01	3596	3	WABASH Package BLR Stk18	VOC	0.00009515	0.00001414
State Line Energy, LLC	1808900210	2010	021	#3 Coal-Fired BLR	26	22	30	22	7	46	24	7583	01	3596	3	Coal as fuel Emissions	VOC	23.77269	0.067921971
State Line Energy, LLC	1808900210	2010	200	#4 Boiler - Natural Gas	23	27	21	29	7	48	24	32	01	3596	3	Unit 4 Gas Emissions	VOC	0.2255	0.000602903
State Line Energy, LLC	1808900210	2010	300	#3 Boiler - Natural Gas	29	27	20	24	7	48	24	37	01	3596	3	Unit 3 Nat Gas Emissions	VOC	0.18986	0.000479970
																		Total	0.253694934
State Line Energy, LLC	1808900210	2011	002	#4 Cyclone Coal-Fired BLR	28	23	25	24	7	45	24	7545	01	4402	3	Unit 4 Coal Emissions	VOC	59.55433	0.158146196
State Line Energy, LLC	1808900210	2011	010	AUX Emergency Generator	15	35	34	16	1	24	2	31	01	4402	3	Distillate Oil Fuel Stk11	VOC	0.015006	0.000362049
State Line Energy, LLC	1808900210	2011	019	TIOGA Space Heater	86	14	0	0	5	12	12	720	01	4402	3	TIOGA Space Heater	VOC	0.04785	0.000034526
State Line Energy, LLC	1808900210	2011	020	WABASH Package BLR	77	0	0	23	1	1	1	1	01	4402	3	WABASH Package BLR Stk18	VOC	0.00001183	0.000000035
State Line Energy, LLC	1808900210	2011	021	#3 Coal-Fired BLR	28	23	25	24	7	45	24	7483	01	4402	3	Coal as fuel Emissions	VOC	22.63206	0.060099311
State Line Energy, LLC	1808900210	2011	024	Temp Auxiliary Generator	100	0	0	0	6	4	15	283	01	4402	3	Temp Auxiliary Generator	VOC	0.09679285	0.000000000
State Line Energy, LLC	1808900210	2011	200	#4 Boiler - Natural Gas	26	25	22	27	7	45	24	28	01	4402	3	Unit 4 Gas Emissions	VOC	0.16951	0.000443893
State Line Energy, LLC	1808900210	2011	300	#3 Boiler - Natural Gas	26	22	24	28	7	48	24	41	01	4402	3	Unit 3 Nat Gas Emissions	VOC	0.17985	0.000474192
																		Total	0.219560141
																		Total Offsets Available 3 Year Average	0.215369455

Appendix C

Revocation of Part 70 Operating Permit for State Line Energy Generating Plant

089-33511-00210



August 07, 2013

Indiana Department of Environmental Management
Permits Administration and Support Section, Office of Air Quality
100 North Senate Avenue
MC 61-53, IGCN 1003
Indianapolis, IN 46204-2251

RE: State Line Energy, LLC -- Termination of Part 70 Operating Permit T089-27037-00210 and
T089-31643-00210

Dear Sir or Madam:

State Line Energy, LLC desires to terminate its Part 70 Operating Permit pertaining to the operation of coal-fired electric generating units at the State Line facility located in Hammond, Indiana.

Units 3 and 4 were taken permanently off-line in March of 2012. State Line Energy, LLC desires to terminate all provisions of the Part 70 Operating Permit relating to operation of the coal-fired boilers and associated equipment at this facility. No other emission sources remain in operation at the site which is undergoing demolition. The Air Permit Application Cover Sheet, IDEM Form 50639 is attached.

If you need any additional information regarding this submittal, please contact Mr. Brian O'Neil at 312-373-7781.

Sincerely,


Jared Rossi
Project Director

Enclosure: Air Permit Application Cover Sheet, IDEM Form 50639



AIR PERMIT APPLICATION COVER SHEET
 State Form 50639 (R4 / 1-10)
 INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

IDEM -- Office of Air Quality -- Permits Branch
 100 N. Senate Avenue, MC 64-53 Room 1009
 Indianapolis, IN 46204-2251
 Telephone: (317) 233-0178 or
 Toll Free: 1-800-461-6027 x30478 (within Indiana)
 Facsimile Number: (317) 232-6749
www.in.gov/idem

- NOTES:**
- The purpose of this cover sheet is to obtain the core information needed to process the air permit application. This cover sheet is required for all air permit applications submitted to IDEM, OAQ. Place this cover sheet on top of all subsequent forms and attachments that encompass your air permit application packet.
 - Submit the completed air permit application packet, including all forms and attachments, to IDEM Air Permits Administration using the address in the upper right hand corner of this page.
 - IDEM will send a bill to collect the filing fee and any other applicable fees.
 - Detailed instructions for this form are available on the Air Permit Application Forms website.

FOR OFFICE USE ONLY	
PERMIT NUMBER:	
DATE APPLICATION WAS RECEIVED:	<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;"> <p style="text-align: center;">RECEIVED</p> <p style="text-align: center; font-size: 1.2em;">AUG 09 2013</p> <p style="text-align: center; font-size: 0.8em;">Dept of Environmental Management Office of Air Quality</p> </div>

1. Tax ID Number: _____

PART A Purpose of Application	
Part A identifies the purpose of this air permit application. For the purposes of this form, the term "source" refers to the plant site as a whole and NOT to individual emissions units.	
2. Source / Company Name: State Line Energy, LLC	3. Plant ID: 27037 - 00210
4. Billing Address: 103rd Street and Lake Michigan	
City: Hammond	State: IN ZIP Code: 46320 -
5. Permit Level: <input type="checkbox"/> Exemption <input type="checkbox"/> Registration <input type="checkbox"/> SSOA <input type="checkbox"/> MSOP <input type="checkbox"/> PESOP <input checked="" type="checkbox"/> TVOP <input type="checkbox"/> PBR	
6. Application Summary: Check all that apply. Multiple permit numbers may be assigned as needed based on the choices selected below.	
<input type="checkbox"/> Initial Permit <input type="checkbox"/> Renewal of Operating Permit <input type="checkbox"/> Asphalt General Permit <input type="checkbox"/> Review Request <input checked="" type="checkbox"/> Revocation of Operating Permit <input type="checkbox"/> Alternate Emission Factor Request <input type="checkbox"/> Interim Approval <input type="checkbox"/> Relocation of Portable Source <input type="checkbox"/> Acid Deposition (Phase II) <input checked="" type="checkbox"/> Site Closure <input type="checkbox"/> Emission Reduction Credit Registry	
<input type="checkbox"/> Transition (between permit levels) From: _____ To: _____	
<input checked="" type="checkbox"/> Administrative Amendment: <input type="checkbox"/> Company Name Change <input type="checkbox"/> Change of Responsible Official <input checked="" type="checkbox"/> Correction to Non-Technical Information <input type="checkbox"/> Notice Only Change <input type="checkbox"/> Other (specify): _____	
<input type="checkbox"/> Modification: <input type="checkbox"/> New Emission Unit or Control Device <input type="checkbox"/> Modified Emission Unit or Control Device <input type="checkbox"/> New Applicable Permit Requirement <input type="checkbox"/> Change to Applicability of a Permit Requirement <input type="checkbox"/> Prevention of Significant Deterioration <input type="checkbox"/> Emission Offset <input type="checkbox"/> MACT Proconstruction Review <input type="checkbox"/> Minor Source Modification <input type="checkbox"/> Significant Source Modification <input type="checkbox"/> Minor Permit Modification <input type="checkbox"/> Significant Permit Modification <input type="checkbox"/> Other (specify): _____	
7. Is this an application for an initial construction and/or operating permit for a "Greenfield" Source? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
8. Is this an application for construction of a new emissions unit at an Existing Source? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

PART B: Pre-Application Meeting

Part B specifies whether a meeting was held or is being requested to discuss the permit application.

9. Was a meeting held between the company and IDEM prior to submitting this application to discuss the details of the project?

No Yes: Date:

10. Would you like to schedule a meeting with IDEM management and your permit writer to discuss the details of this project?

No Yes: Proposed Date for Meeting:

PART C: Confidential Business Information

Part C identifies permit applications that require special care to ensure that confidential business information is kept separate from the public file.

Claims of confidentiality must be made at the time the information is submitted to IDEM, and must follow the requirements set out in the Indiana Administrative Code (IAC). To ensure that your information remains confidential, refer to the IDEM, OAQ information regarding submittal of confidential business information. For more information on confidentiality for certain types of business information, please review IDEM's Nonrule Policy Document Air-031-NPD regarding Emission Data.

11. Is any of the information contained within this application being claimed as Confidential Business Information?

No Yes

PART D: Certification Of Truth, Accuracy, and Completeness

Part D is the official certification that the information contained within the air permit application packet is truthful, accurate, and complete. Any air permit application packet that we receive without a signed certification will be deemed incomplete and may result in denial of the permit.

For a Part 70 Operating Permit (TVOP) or a Source Specific Operating Agreement (SSOA), a "responsible official" as defined in 326 IAC 2-7-1(34) must certify the air permit application. For all other applicants, this person is an "authorized individual" as defined in 326 IAC 2-1.1-1(1).

I certify under penalty of law that, based on information and belief formed after reasonable inquiry, the statements and information contained in this application are true, accurate, and complete.

Jared Rossi

Name (typed)

Signature

Project Director

Title

Date

12/07/13



INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

We Protect Hoosiers and Our Environment.

100 N. Senate Avenue • Indianapolis, IN 46204

(800) 451-6027 • (317) 232-8603 • www.idem.IN.gov

Michael R. Pence
Governor

Thomas W. Easterly
Commissioner

TO: Interested Parties / Applicant

DATE: August 14, 2013

RE: State Line Energy, LLC / 089-33511-00210

FROM: Matthew Stuckey, Branch Chief
Permits Branch
Office of Air Quality

Notice of Decision: Revocation

Please be advised that on behalf of the Commissioner of the Department of Environmental Management, I have issued a decision regarding the enclosed matter. Pursuant to IC 4-21.5-3-5(f) this revocation is effective fifteen (15) days after it is served. When served by U.S. mail, the order is effective eighteen (18) calendar days from the mailing of this notice pursuant to IC 4-21.5-3-2(e).

If you wish to challenge this decision, IC 4-21.5-3-7 and IC 13-15-7-3 require that you file a petition for administrative review. This petition describing your intent must be submitted to the Office of Environmental Adjudication, 100 North Senate Avenue, Government Center North, Suite N 501E, Indianapolis, IN 46204, within eighteen (18) calendar days from the mailing of this notice. The filing of a petition for administrative review is complete on the earliest of the following dates that apply to the filing:

- (1) the date the document is delivered to the Office of Environmental Adjudication (OEA);
- (2) the date of the postmark on the envelope containing the document, if the document is mailed to OEA by U.S. mail; or
- (3) The date on which the document is deposited with a private carrier, as shown by receipt issued by the carrier, if the document is sent to the OEA by private carrier.

The petition must include facts demonstrating that you are either the applicant, a person aggrieved or adversely affected by the decision or otherwise entitled to review by law. Please identify the permit, decision, or other order for which you seek review by permit number, name of the applicant, location, date of this notice and all of the following:

- (1) the name and address of the person making the request;
- (2) the interest of the person making the request;
- (3) identification of any persons represented by the person making the request;
- (4) the reasons, with particularity, for the request;
- (5) the issues, with particularity, proposed for considerations at any hearing; and
- (6) identification of the terms and conditions which, in the judgment of the person making the request, would be appropriate in the case in question to satisfy the requirements of the law governing documents of the type issued by the Commissioner.

If you have technical questions regarding the enclosed documents, please contact the Office of Air Quality, Permits Branch at (317) 233-0178. Callers from within Indiana may call toll-free at 1-800-451-6027, ext. 3-0178.

Enclosures
FNPER-REV.dot 6/13/2013



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(800) 451-6027 • (317) 232-8603 • www.idem.in.gov

Michael R. Pence
Governor

Thomas W. Easterly
Commissioner

Mr. Brian O'Neill
State Line Energy, LLC
5000 Dominion Blvd.,
Glen Allen, Virginia 23060

August 14, 2013

Re: 089-33511-00210
Revocation of Part 70 Operating Permit Renewal
No.: T089-27037-00210

Dear Mr. O'Neill:

State Line Energy, LLC was issued a Part 70 Operating Permit Renewal No.: T089-27037-00210 on July 22, 2011 for a stationary electric utility generating station, located at 103rd Street and Lake Michigan, Hammond, Indiana 46320. On August 9, 2013, the Office of Air Quality (OAQ) received a letter from the source requesting that the Part 70 Operating Permit Renewal be revoked since Units 3 and 4 were taken permanently off-line in March of 2012, the source has ceased operation, and no other emission sources remain in operation at the site, which is undergoing demolition.

Pursuant to 326 IAC 2-1.1-9, any permit to construct or operate or any permit revision approval granted by the commissioner may be revoked for any cause that establishes in the judgment of the commissioner the fact that continuance of the permit or permit revision approval is not consistent with the purposes of 326 IAC 2. Since the source is no longer in operation, the Part 70 Operating Permit Renewal is no longer required.

The Part 70 Operating Permit Renewal No. T089-27037-00210 issued on July 22, 2011, is hereby revoked. Pursuant to IC 4-21.5-3-5(a) and (b), this revocation letter is effective in eighteen (18) days from the date of this letter.

Please be advised that once this revocation is effective the source will no longer have approval to operate any emission units at this source. In addition, if there is a need in the future to operate any units at this source, construction and operation approval will be necessary pursuant to Indiana's New Source Review regulations. Once effective, this revocation can not be withdrawn or rescinded.

A copy of the revocation is available on the Internet at: <http://www.in.gov/air/appfiles/Idem-caats/>. For additional information about air permits and how the public and interested parties can participate, refer to the IDEM's Guide for Citizen Participation and Permit Guide on the Internet at: www.idem.in.gov

If there are any questions about this revocation, please contact Charles Sullivan at 317-232-8422 or at 1-800-451-6027 (ext 2-8422).

Sincerely,

Jason R. Krawczyk, Section Chief
Permits Branch
Office of Air Quality

JRK/cbs

.cc: File - Lake County
Lake County Health Department
Compliance and Enforcement Branch





INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

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Thomas W. Easterly
Commissioner

SENT VIA U.S. MAIL: CONFIRMED DELIVERY AND SIGNATURE REQUESTED

TO: Brian O'Neil
State Line Energy, LLC
5000 Dominion Boulevard
Glen Allen, VA 23060

DATE: August 14, 2013

FROM: Malt Stuckey, Branch Chief
Permits Branch
Office of Air Quality

SUBJECT: Final Decision
Revocation of a Part 70 Operating Permit
089-33511-00210

Enclosed is the final decision and supporting materials for the air permit application referenced above. Please note that this packet contains the original, signed, permit documents.

The final decision is being sent to you because our records indicate that you are the contact person for this application. However, if you are not the appropriate person within your company to receive this document, please forward it to the correct person.

A copy of the final decision and supporting materials has also been sent via standard mail to:
Jared Rossi, Project Director
OAQ Permits Branch Interested Parties List

If you have technical questions regarding the enclosed documents, please contact the Office of Air Quality, Permits Branch at (317) 233-0178, or toll-free at 1-800-451-6027 (ext. 3-0178), and ask to speak to the permit reviewer who prepared the permit. If you think you have received this document in error, please contact Joanne Smiddle-Brush of my staff at 1-800-451-6027 (ext. 3-0185), or via e-mail at jbrush@idem.IN.gov.

Final Applicant Cover letter.d01 6/13/2013



Appendix D

Facilities Requesting Exemption from Stage II
Requirements under Indiana Nonrule Policy Document Air-036

Year	County	Date	Station Name
2013	Lake	3/10/2013	Family Express
	Porter	5/6/2013	Meijer #266
	Lake	5/9/2013	Meijer #165
	Lake	5/9/2013	Meijer #170
	Porter	5/30/2013	Family Express
	Porter	12/24/2013	Speedway #7524
2014	Lake	4/1/2014	Travel Centers of America – Gary Station
	Lake	4/1/2014	Travel Centers of America – Lake Station

Appendix E

Public Participation Process



INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

We Protect Hoosiers and Our Environment.

Mitchell E. Daniels Jr.
Governor

Thomas W. Easterly
Commissioner

100 North Senate Avenue
Indianapolis, Indiana 46204
(317) 232-8603
Toll Free (800) 451-6027
www.idem.IN.gov

March 6, 2015

CERTIFICATE OF PUBLICATION

This is to certify that the Indiana Department of Environmental Management (IDEM) Legal Notice of Public Hearing regarding the following:

- **Draft Technical Support Document in Support of SIP Revision to Remove Stage II Vapor Recovery Systems for Clark, Floyd, Lake and Porter Counties (March 5, 2015)**

was published on IDEM's web site on March 6, 2015. It will remain posted on the site until at least April 22, 2015.

The notice in full may be found at the following web address, under the "Statewide" category.

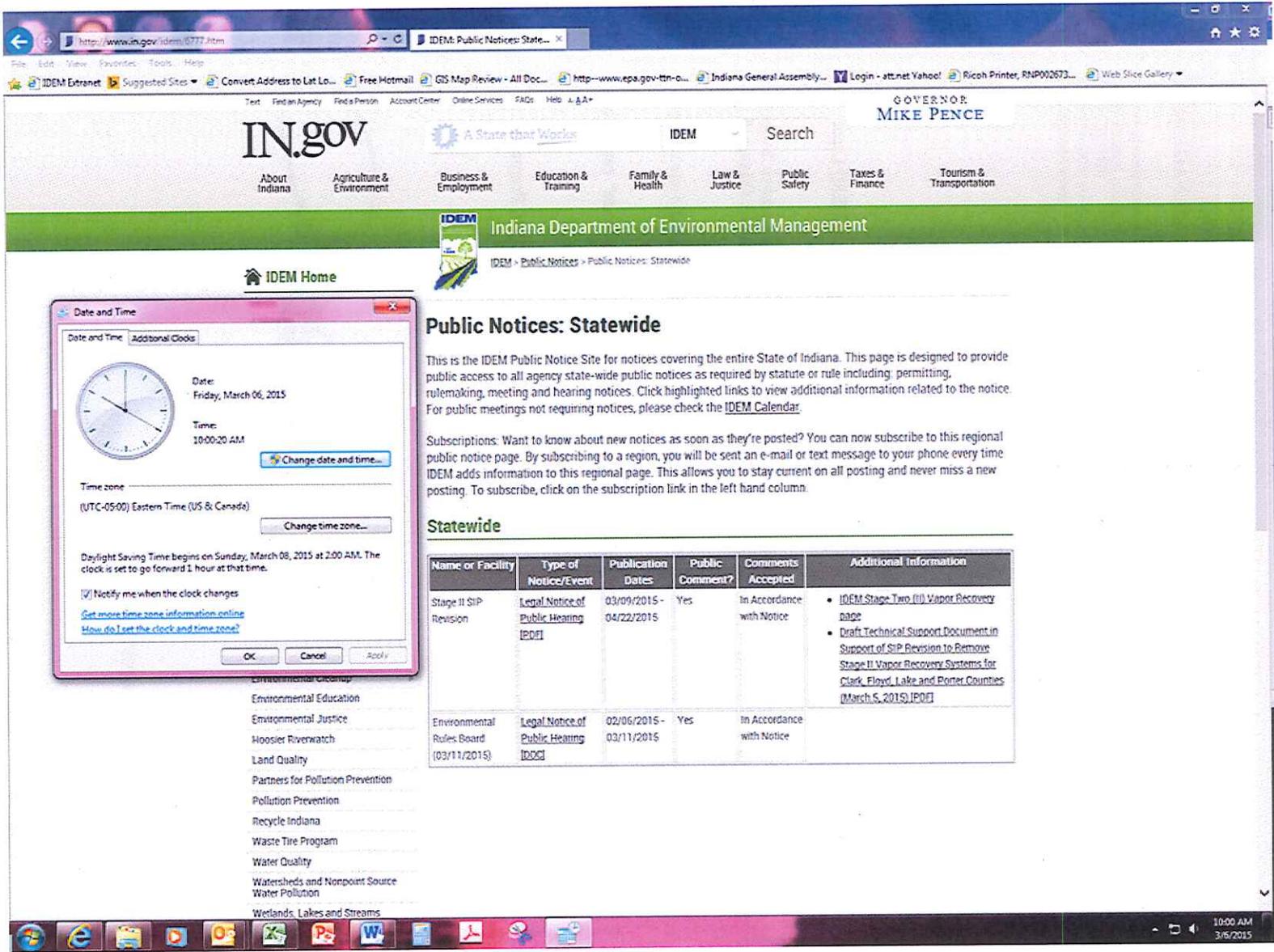
<http://www.in.gov/idem/5474.htm>

Web publication of the notice was at the request of Scott Deloney, Branch Chief, Programs Branch, Office of Air Quality, IDEM.

By:

Mike Finklestein
IDEM Webmaster

Attachments:
Copy of web page as published.



IN.gov

GOVERNOR
MIKE PENCE

Indiana Department of Environmental Management

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Date and Time Additional Clocks



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Time: 10:00:20 AM

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Statewide

Name or Facility	Type of Notice/Event	Publication Dates	Public Comment?	Comments Accepted	Additional Information
Stage II SIP Revision	Legal Notice of Public Hearing PDF	03/09/2015 - 04/22/2015	Yes	In Accordance with Notice	<ul style="list-style-type: none"> IDEM Stage Two (II) Vapor Recovery Page Draft Technical Support Document in Support of SIP Revision to Remove Stage II Vapor Recovery Systems for Clark, Floyd, Lake and Porter Counties (March 5, 2015) PDF
Environmental Rules Board (03/11/2015)	Legal Notice of Public Hearing PDF	02/06/2015 - 03/11/2015	Yes	In Accordance with Notice	

- Environmental Cleanup
- Environmental Education
- Environmental Justice
- Hoosier Riverwatch
- Land Quality
- Partners for Pollution Prevention
- Pollution Prevention
- Recycle Indiana
- Waste Tire Program
- Water Quality
- Watersheds and Nonpoint Source Water Pollution
- Wetlands, Lakes and Streams