

Memorandum

To: Frank Gao
Division of Air Quality
DNREC

From: Ellen Valentino, MAPDA
Mark Baker, Baker Petroleum
Kirk McCauley, WMD Service Station and Auto Repair Assn
Steve Stookey, The Wills Group/SMO, Inc.
Thomas Ruszin, Royal Farms
7-Eleven, Inc.

Date: January 9, 2014

Re: Comments Draft Regulations

Gasoline Distributors, Service Station Operators and Small Business Owners

Over 20 years ago, as required by EPA, DNREC required all service stations to install and maintain a Stage II Vapor Recovery System. This mandate has cost Delaware business owners collectively millions of dollars both in direct costs and regulatory paperwork.

In 2012 EPA gave authority to Delaware and other states to remove this mandate, recognizing that the Stage II systems are no longer necessary because the vast majority of vehicles on the road have onboard canister systems, making Stage II systems unnecessary and at some point will cause an increase in air pollution by keeping them in service.

Other Northeast states are moving forward to remove this burden from business. Delaware is behind several states in action and needs to move swiftly.

Comments:

1. Decouple Any New Mandates and Regulations From The Decommissioning Regulations.

Throughout the process DNREC has been open to discussion but appears committed to imposing new regulations and costly mandates without evidence or data. The draft regulations associated with underground storage tank "UST" are vague in direction, definitions and raise issues associated with the availability of technology and associated costs. The newly proposed "UST" mandates have not been proven necessary, beneficial or a solution to a problem that exists in Delaware. The costs associated with compliance could be as high as \$60,000 per location. In 2012 Governor Markell and the Delaware General Assembly sent a clear message to the Executive Departments to review and look to remove

regulations that are unnecessary, costly, and overly burdensome on businesses in Delaware. The insertion of the new UST regulatory scheme within this decommissioning discussion runs counter to that directive. On August 7, 2012 EPA released a document entitled "Guidance on Removing Stage II Gasoline Vapor Control Programs from State Implementation Plans and Assessing Comparable Measures" this document provides a path for states to move forward with decommissioning without the imposition of new mandates/regulations, this is the path Rhode Island and some other states are looking at, we urge Delaware to do the same.

2. *Remove Stage II Requirements effective immediately for all newly constructed stations and locations meeting a threshold of replacement of 50% or greater of dispensers, replacement of product lines, or other tank top work.*

This recommendation should be done by Executive Order or directive from DNREC. This recommendation is good for the economy and the environment. Without this directive, business owners would continue to delay important tank upgrades and construction, waiting for final regulatory direction. For locations not meeting the above threshold, establish firm dates for voluntary decommissioning. This will allow business owners to plan for the replacement of older systems and equipment.

3. *The Decommissioning Process, adopt PEI procedures by reference.*

We urge DNREC to adopt the decommissioning procedures developed by the Petroleum Equipment Institute ("PEI") by reference in regulations. This is the path most states are taking. These procedures were developed by knowledgeable industry experts, including manufacturers, installers and engineers. To stray from these national standards, makes no sense and further complicates what should be simple regulatory relief to Delaware business owners.

Cc: The Honorable Jack Markell
The Honorable Alan Levin