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Senate of Pennsylvania

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DEC 14 2011

MEMORANDUM

TO:

ALL SENATORS

FROM:

SENATOR ELDER VOGEL JR. College SENATOR TIMESON

SENATOR TIM SOLOBAY

DATE:

DECEMBER 14, 2011

RE:

CO-SPONSORSHIP

In the near future, we plan to introduce legislation amending the Air Pollution Control Act (Act 787 of 1959) to eliminate statutory requirements for low Reid Vapor Pressure (RVP) gasoline (Summer Gas) and Stage II vapor recovery systems in Allegheny, Armstrong, Beaver, Butler, Fayette, Washington and Westmoreland counties.

RVP

In 1998, the Department of Environmental Protection (DEP) adopted a 7.8psi RVP fuel standard for southwestern Pennsylvania to address federal air pollution control measures. Since that time, ethanol became mandated by the federal government, increasing the RVP value of fuel. This resulted in an exclusive "boutique" fuel mandate for southwestern Pennsylvania. In recent years, we have seen gas prices averaging 10 to 15 cents higher in southwestern Pennsylvania than in neighboring counties and also across the border in Ohio. In Pennsylvania, this "boutique" fuel is only required for the Pittsburgh region, and demand for the product is low. When supply interruptions occur on summer gas - as happened just this year - consumers will pay higher prices at the pump during the summer gas season. This equates to a hidden tax drivers must pay in southwestern Pennsylvania that is not required anywhere else.

As the Commonwealth braces for possible fuel shortages due to the closure of 3 major oil refineries in southeastern Pennsylvania, southwestern Pennsylvania faces the frightening possibility of a drastically reduced supply of summer gas. This will result in an even larger fuel shortage in the seven county region and skyrocketing gas prices for drivers and small businesses.

STAGE II

In 1997, Stage II vapor recovery regulations were adopted by the Department of Environmental Protection according to federal guidelines for Allegheny, Armstrong, Beaver, Butler, Fayette, Washington and Westmoreland counties. These regulations required the installation of gasoline pumps preventing the release of gasoline vapors when in use, but contained a specific provision to eliminate the requirement if onboard canister refueling emissions systems in vehicles became widespread.

Onboard canisters in vehicles prevent gasoline vapors from coming back out the fill pipe by circulating the vapors back into the fuel tank, essentially the same system required for gasoline pumps under the Stage II regulations. Recently, a study by the California Air Resources Board found having both systems in place causes a significant reduction in the ability to capture fuel vapors over the effectiveness of either system alone.

On July 11, 2011, the U.S. Environmental Protection Agency proposed a change in regulations allowing states to eliminate Stage II vapor recovery systems when 72 percent of state-based vehicle fleets have canister systems. In the meantime, states like New York and New Hampshire have already eliminated these systems.

Stage II systems are maintenance intensive and cost service station owners thousands of dollars annually to maintain. In addition, service stations now in the process of modernizing or building new facilities are faced with the prospect of installing Stage II systems that may be declared unnecessary in just a few months. Our legislation would eliminate this now redundant and environmentally counterproductive requirement and reduce the financial burden on thousands of small businesses in southwestern Pennsylvania. Importantly, this legislation enables the DEP to establish guidelines for the decommissioning of Stage II systems to ensure our environment is protected.

We are committed to sound environmental stewardship and meeting our environmental responsibilities. With the deployment of new technology in our vehicles and within our industries, we believe we will meet and off-set the Volatile Organic Compound (VOC) output of conventional gasoline use in the summer months in southwestern Pennsylvania. Vehicles on our roads today are much more technologically advanced and cleaner than they were 15 years ago.

It is also important to note that since 2000, the 7 county region has faced a population decline of approximately 75,000 individuals. This has resulted in a large number of vehicles being removed from the road and additional VOC emissions reductions.

We believe the time is right to modernize our laws to reflect both the advance of technology and the decline in population for southwestern Pennsylvania. If you agree, please contact Michael Rader to cosponsor this legislation or have questions at 717-787-3076 or mrader@pasen.gov. Thank you.