



MONTEREY BAY
Unified Air Pollution Control District
serving Monterey, San Benito, and Santa Cruz counties

AIR POLLUTION CONTROL OFFICER
Richard Stedman

24580 Silver Cloud Court • Monterey, California 93940 • 831/647-9411 • FAX 831/647-8501

Gasoline Station Advisory for Compliance Agreement Process

March 5, 2009

EVR Phase II Upgrade Due by April 1, 2009

Dear Gasoline Dispensing Facility owner/operator:

As you know from prior Compliance Advisories, Phase II EVR modifications to your gasoline dispensing facility must be installed no later than April 1, 2009. This requirement was enacted by the California Air Resources Board four years ago for the purpose of improving the performance of gasoline vapor recovery systems in order to better protect the public from exposure to toxic vapors.

Our records indicate that your station, referenced in the enclosed Compliance Agreement, has not yet made these Enhanced Vapor Recovery (EVR) modifications to your Phase II vapor recovery system. If you have already made the required modifications, please call Gene Mason at 647-9418 ext. 216 so that we may correct our records.

If you do not complete the EVR Phase II modifications by April 1, 2009, it is illegal for the station to continue to dispense gasoline until the modifications are completed. Continued operation after April 1, 2009 without the modifications constitutes a daily violation and will subject you to District enforcement action, which will include tagging the gasoline dispensing system out of service and imposition of significant penalties.

However, in order to avoid the dramatic consequences of having your station tagged out of service, you may request to enter into a Compliance Agreement with the District if the station will not be in compliance with the April 1, 2009 deadline. This mechanism is not an extension of time, which we cannot grant, so your station will still be in violation of District Rule 1002 after April 1. But the Compliance Agreement will allow for continued operation until the EVR Phase II equipment is installed, with the payment of a stipulated penalty but without our tagging it out of service. This Advisory details how you may enter into a Compliance Agreement to allow for continued operation of your station.

A. How to enter into a Compliance Agreement to allow Operation after April 1, 2009

In order for the District to issue you a Compliance Agreement, the Responsible Official for the gasoline station must complete and submit the following two forms **so that they are received by this office no later than March 25, 2009:**

- 1) The Compliance Agreement form and
- 2) The Authority to Construct Application form.

Detailed instructions for executing these two forms follow.

1. The Compliance Agreement

- **Fill out and sign** the enclosed Compliance Agreement.
- **Enclose a cashier's check** for the stipulated penalty that you select on page 2 of your enclosed Compliance Agreement, made payable to "MBUAPCD".
- **Mail or deliver** your executed Compliance Agreement and cashier's check for the Grace Period you have selected in the enclosed self-addressed envelope **so that it is received by this office no later than March 25, 2009.**

The Penalty Structure applicable to this program is shown by the table below, which is included here for your information, and is based on calendar year 2008 throughput. The Grace Period penalties are based on a per month penalty amount but your option is to prepay a penalty for either a 3 month or 6 month Grace Period, whichever you choose. We recommend that you select a realistic Grace Period that will reflect the time necessary for your station to complete the necessary EVR modifications. There is a provision for refunding the unused portion of your Grace Period penalty, explained below.

Gasoline Throughput (Gallons per year):	Penalty per month	3 Month Grace Period	6 Month Grace Period
<input type="checkbox"/> 0 - < 100K	\$212	x 3 \$636	x 6 \$1,272
<input type="checkbox"/> 100K – < 400K	\$339	x 3 \$1,017	x 6 \$2,034
<input type="checkbox"/> 400K – < 800K	\$501	x 3 \$1,503	x 6 \$3,006
<input type="checkbox"/> 800K – < 1,200K	\$667	x 3 \$2,001	x 6 \$4,002
<input type="checkbox"/> 1,200K – < 1,600K	\$831	x 3 \$2,493	x 6 \$4,986
<input type="checkbox"/> 1,600K – < 2,000K	\$1,074	x 3 \$3,222	x 6 \$6,444
<input type="checkbox"/> 2,000K – < 3,000K	\$1,630	x 3 \$4,890	x 6 \$9,780
<input type="checkbox"/> 3,000K – < 4,000K	\$2,173	x 3 \$6,519	x 6 \$13,038
<input type="checkbox"/> 4,000K – < 5,000K	\$2,716	x 3 \$8,148	x 6 \$16,296
<input type="checkbox"/> 5,000K – < 6,000K	\$3,259	x 3 \$9,777	x 6 \$19,554

2. The Authority to Construct Application

- **Fill out and sign** the enclosed Authority to Construct Application form.
 On the Application form, blocks 1 thru 4, 7 thru 9, 12, and 16 thru 23 need to be filled out.
- **Enclose a check or money order** for the Application fee (see below) made payable to "MBUAPCD".
 - **For EVR upgrade only**, the fee is \$714.00 plus \$43.00 times the number of nozzles.
 - **For EVR upgrade with ISD**, the fee is \$1731.00 plus \$43.00 times the number of nozzles.
- **Mail or deliver** this Application form and check for the Application fee, **along with your Compliance Agreement** with cashier's check from 1. above, in the enclosed self-addressed envelope **so that it is received by this office no later than March 25, 2009.**

B. What Will Happen after you Submit this Compliance Agreement?

- Upon the District's receipt of your Compliance Agreement, it will be reviewed to verify that all terms have been met:
 - Compliance Agreement completed and signed?
 - Grace Period penalty cashier's check included?
 - Authority to Construct Application completed and signed?
 - Application fee check included?
- Once the District has determined that all of the terms have been met, we will mail you a District-signed copy of the Compliance Agreement to the mailing address listed on the Compliance Agreement.
- The Compliance Agreement will be in effect for the Grace Period you have selected and paid for. Hopefully, you will be able to get the EVR modifications made within that period. Should you need more time, you may request another Compliance Agreement prior to the expiration of your Grace Period (either June 30th or September 30th, 2009). See Paragraphs 12 thru 14 of your Compliance Agreement, which provide for this eventuality. Be aware, however, that if your Grace Period expires before your modifications have been completed, and you have not received another Compliance Agreement, you will no longer be protected from enforcement action for operation without the EVR modifications, and your station will be subject to the mandatory requirement that we tag your dispensing equipment out of service until the modifications are completed.

C. What Will Happen if You Do Not Secure a Compliance Agreement?

- If you continue to operate after April 1, 2009 without having completed the EVR upgrades, your station will be in violation of State Law and District Regulations.
- Shortly after April 1, a District representative will visit your station and, if the Phase II EVR modifications are not made and you are continuing to operate, the District will tag your station out of service and will issue you a Field Notice of Noncompliance, leading to the imposition of civil penalties.
- The out of service tags may be removed and dispensing resumed only with the District's approval after you have completed the EVR modifications. Please note that after your station is tagged out of service, there will be no opportunity to enter into a Compliance Agreement with the District, and the station will remain out of service until the EVR modifications are completed. This is a feature of mandatory provisions of State Law, over which the District has no control or discretion.

D. What Will Happen if Your EVR Modifications are completed before the end of your Grace Period?

While you must pay the stipulated penalty for the Grace Period you select in advance, the District will issue a refund to you for the difference between the Grace Period you have paid for and the actual number of days after April 1 it takes you to complete the EVR installation. Please see Paragraphs 7 and 8 of your Compliance Agreement, which provide for this eventuality.

If you have any questions regarding this Advisory or the Compliance Agreement process it describes, please call Teresa Sewell or Gene Mason at the Air District at 831-647-9411.

Attachments: Compliance Agreement
Authority to Construct Application
Prior Compliance Advisory issued last December