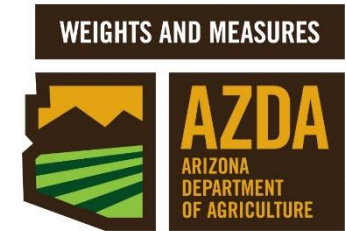


# Rulemaking Summary

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ARIZONA ADMINISTRATIVE CODE, TITLE 3, CHAPTER 7

MAY 10, 2022



# WMSD Overview

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Our mission is to ensure equity in the marketplace and protect air quality  
24 staff positions, including 14 inspectors and two field supervisors

License more than 120,000 entities, including commercial devices, public weighmasters, and registered service agencies and representatives

We conduct marketplace inspections and respond to consumer complaints

Weights and Measures regulatory functions have been part of Arizona State Government since 1912

Originally known as Office of the State Inspector of Weights and Measures and City Sealers

# Why Conduct a Rulemaking?

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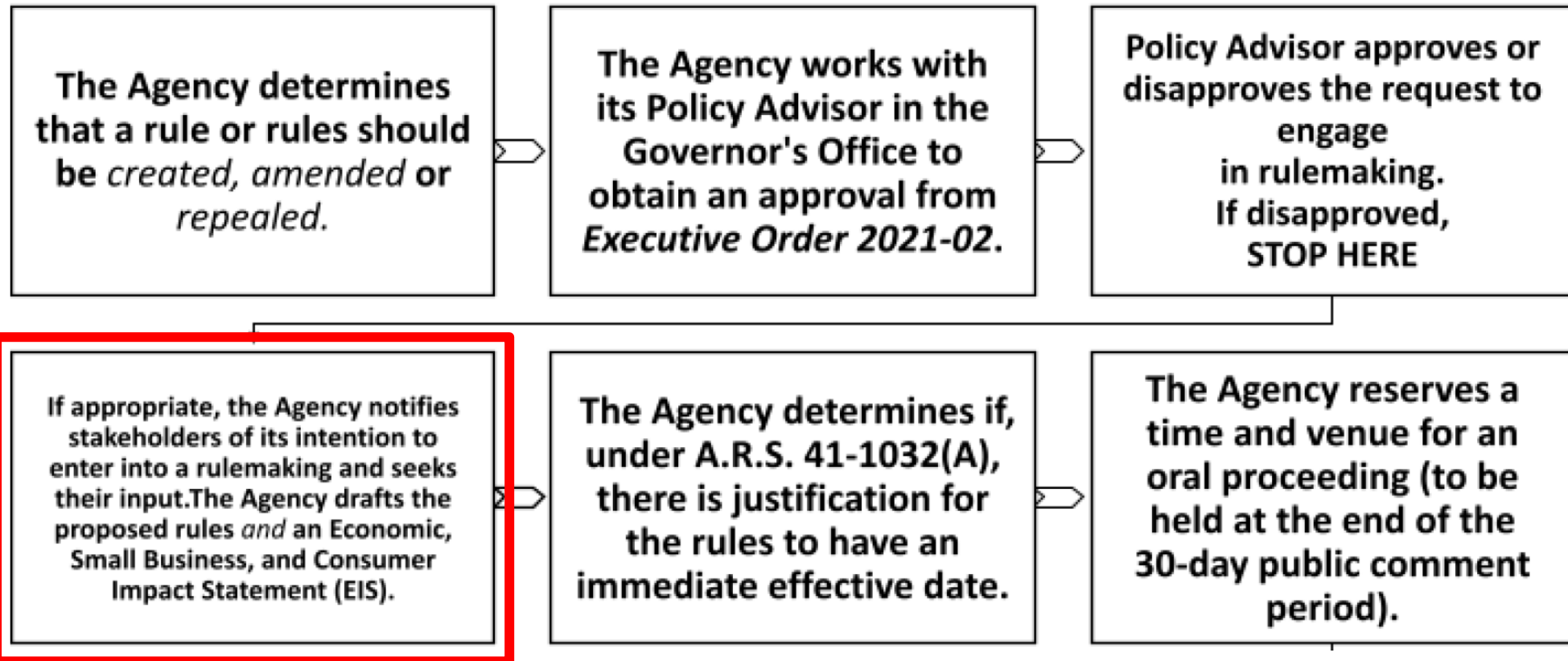
Implement proposed course of action in our 5-Year Rule Review:

- Revise rules to improve clarity and consistency
- Modify rules to allow sale of E15 in CBG area

In addition:

- Update references to current version (e.g. NIST Handbooks, ASTM standards)
- Remove outdated/unnecessary requirements
- Streamline CBG certification and reporting requirements

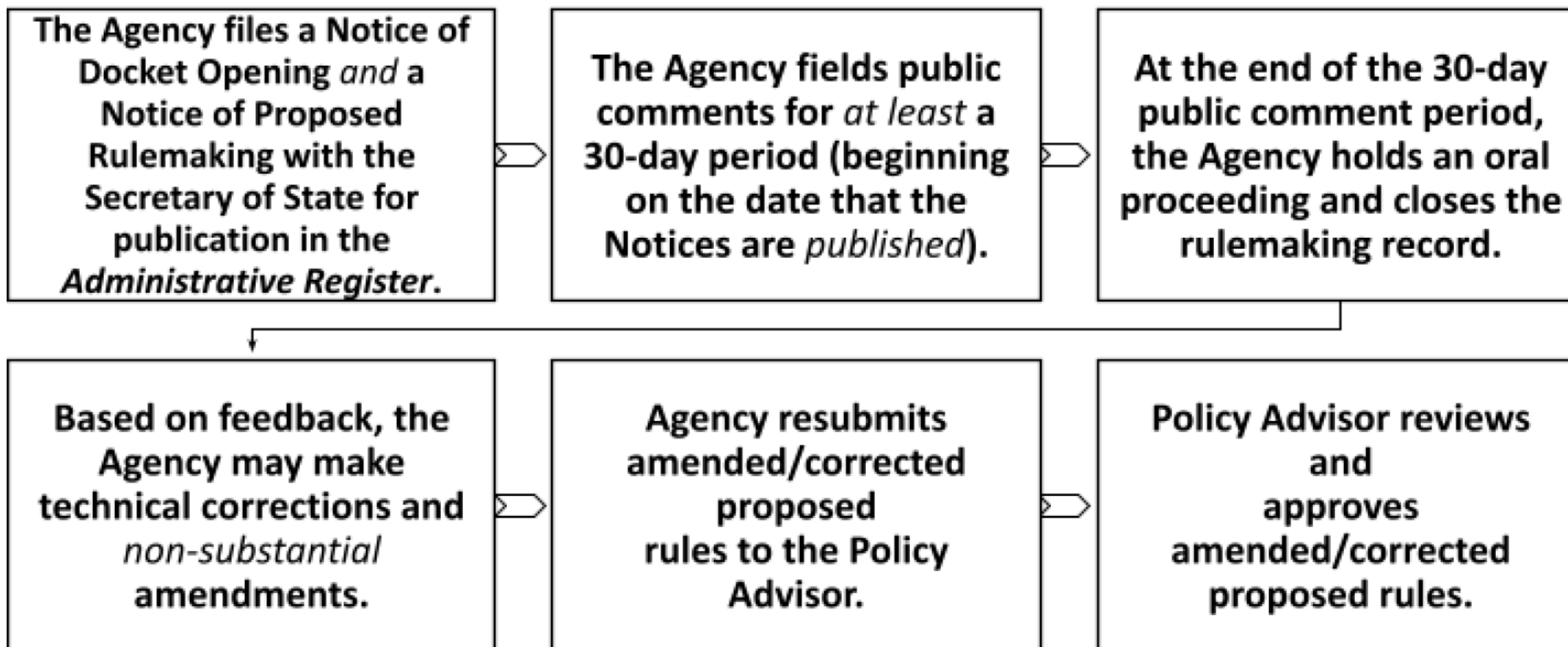
# The Rulemaking Process



We are here



# The Rulemaking Process (continued)



# The Rulemaking Process (continued)

Within 120 days of the close of record, Agency submits the EIS, proposed rules, and BOTH (initial in Step #3, and final in Step #8) Governor's Office approvals electronically to GRRC.

During a separate required 30-day public comment period, Council Staff reviews the proposed rules and EIS. The rules and EIS are publicly considered at an upcoming Study Session and Council Meeting.

The Council votes on the rulemaking and EIS. A  $\frac{2}{3}$  voting majority is required for an immediate effective date. If approved, the Agency files a Notice of Final Rulemaking with the Secretary of State for publication in the *Administrative Register*.

# Summary of Proposed Changes

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Allow E15 in Cleaner Burning Gasoline (“CBG”) Area

Streamline CBG Certification and Reporting

Administrative Enforcement Action

Stage II Vapor Recovery

Stage I Torque Test

Other Proposed Changes

# E15 in CBG Area

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Stakeholder interest in establishing E15 market in CBG area

- E15 currently allowed to be sold outside of CBG area
- To our knowledge, no retailers currently offer E15 in AZ

Requires modification of rules and State Implementation Plan (“SIP”)

Rule change would not mandate E15, only provide retailers with option of offering E15 in CBG area



# E15 in CBG Area

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## Proposed changes:

- Outline certification process/requirements for E15 CBG
- Incorporate E15 in independent compliance sampling
- Outline compliance sampling procedures for E15 at blender pumps

Currently working to verify acceptability of blending of ethanol flex fuel with E10 CBG at retail sites to produce E15 CBG

# Streamlining CBG Rules

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Adding definition of CBG blender

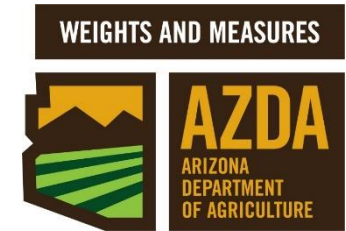
Proposing to remove requirements to make type elections

Proposing to remove averaging compliance option for certification

Simplify outline of fuel property and performance requirements for CBG

- Table 1 and 2 removed

Removal of redundant language, adding clarifying language



# Administrative Enforcement Action

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Proposing to simplify rules outlining enforcement action and civil penalties

Authority and limits for enforcement action and civil penalties are already set in statute

Proposed rule change references applicable statutes for enforcement action and civil penalties

# Stage II Vapor Recovery (Article 9)

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Initially planned to remove Article 9 since Stage II was decommissioned in 2018

Stage II vapor recovery currently prohibited under A.R.S. § 3-3512(K)

Maricopa County Air Quality concern about future need for Stage II EVR as Best Available Control Technology (“BACT”)

Now proposing to retain Article 9 in case Stage II is reinstated as voluntary BACT option

# Stage I Torque Test

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Proposing to require CARB TP-201.1B Static Torque Test as part of initial and annual vapor recovery testing requirements

Applicable to swivel fill adaptors

Test is required in vapor recovery areas outside of Arizona (CA, NV) to ensure leak tightness integrity of adaptors

Adaptors may be vapor leak point if not torqued properly

# Other Proposed Changes (general)

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Remove unnecessary definitions

Add definitions to provide clarification

Editorial changes to improve consistency between statute and rule, and/or between rules

General reorganization to make rules easier to read

# Other Proposed Changes (specific)

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Adopt most recent versions of NIST Handbooks 44, 130, and 133

Move some requirements from Article 1 into articles relating to applicable regulatory program

Remove redundant requirements for commercial devices in Article 2 relating to scales and remanufactured devices

Clarify term “initial inspection” relating to retail pricing inspections

# Other Proposed Changes (specific)

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Clarify retail price posting and price verification requirements under new term “retail price inspections”

Clarify certification requirements for field calibration standards and vapor recovery test equipment

Remove requirements for third-party RSAs, as these requirements fall under authority of other state agencies

Clarify requirements for roadside and other signs that advertise motor fuel products/prices



# Other Proposed Changes (specific)

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Add requirement for RSR to maintain all federal, state, and local licenses during term of RSR license

Clarify motor fuel price and grade posting requirements

Incorporate E15 in dispenser and tank labeling requirements

Update materials incorporated by reference (ASTM standards, SAE J285, API RP 1637, federal references)

# Next Steps

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Proposed rule is not set in stone... still a draft

Planning second stakeholder workshop later this month

Proposed rule must be presented to AZDA Advisory Council and WMSD Advisory Council

File Notice of Docket Opening and Notice of Proposed Rulemaking with Secretary of State

Formal rulemaking process begins

Goal to complete rulemaking by end of CY2022

# WMSD Updates

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We are moving June 3<sup>rd</sup> to 1110 W. Washington Street

Developing risk-based inspection approach

Hiring new East Valley inspector

Northern Arizona inspector vacancy

New LPG test trailer

Last year of Master Meters (LPG)

Working to obtain new large capacity scale test truck

# In Closing

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Thank you for your time!

We value our relationship with APMA and its members

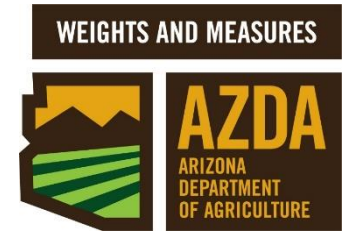
We aim to be transparent with our stakeholders in everything we do

We encourage stakeholder involvement in our rulemaking

We encourage participation in the WMSD Advisory Council

# Questions?

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**Kevin Allen**

Associate Director, WMSD

(480) 848-1709

[kallen@azda.gov](mailto:kallen@azda.gov)