

# Vapor Pressure Exception – One-year extension and early implementation

## NCWM Interim Meeting

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January 11, 2016

# Background and Request

## Background

- July 2012 debate at NCWM to move 1-psi vapor pressure exception/waiver from NIST Handbook 130 to ASTM D4814 (gasoline spec) to harmonize the documents and prevent inconsistencies
- NCMW chooses May 1, 2016 sunset date to allow time to conduct research on impacts of 1-psi exception on consumers' vehicles
- March 2015 CRC completes research showing no driveability issues for the consumer (Report No. 668)
- ASTM ballot is developed and negative comments are submitted
- December 8, 2015 negative comments are adjudicated and ballot fails to pass (five negatives of which only one was adjudicated)
  - Significant work needed at ASTM to develop second ballot
  - All parties are working to resolve issues at ASTM
- Importance of issue requires belts and suspenders approach to minimize unnecessary impacts to fuel supply

## Request:

- **Extend the sunset date of the 1-psi vapor pressure exception to May 1, 2017 and make the effective date for this change July 28, 2016**

# **EXTEND THE SUNSET DATE OF THE 1-PSI VAPOR PRESSURE EXCEPTION TO MAY 1, 2017**

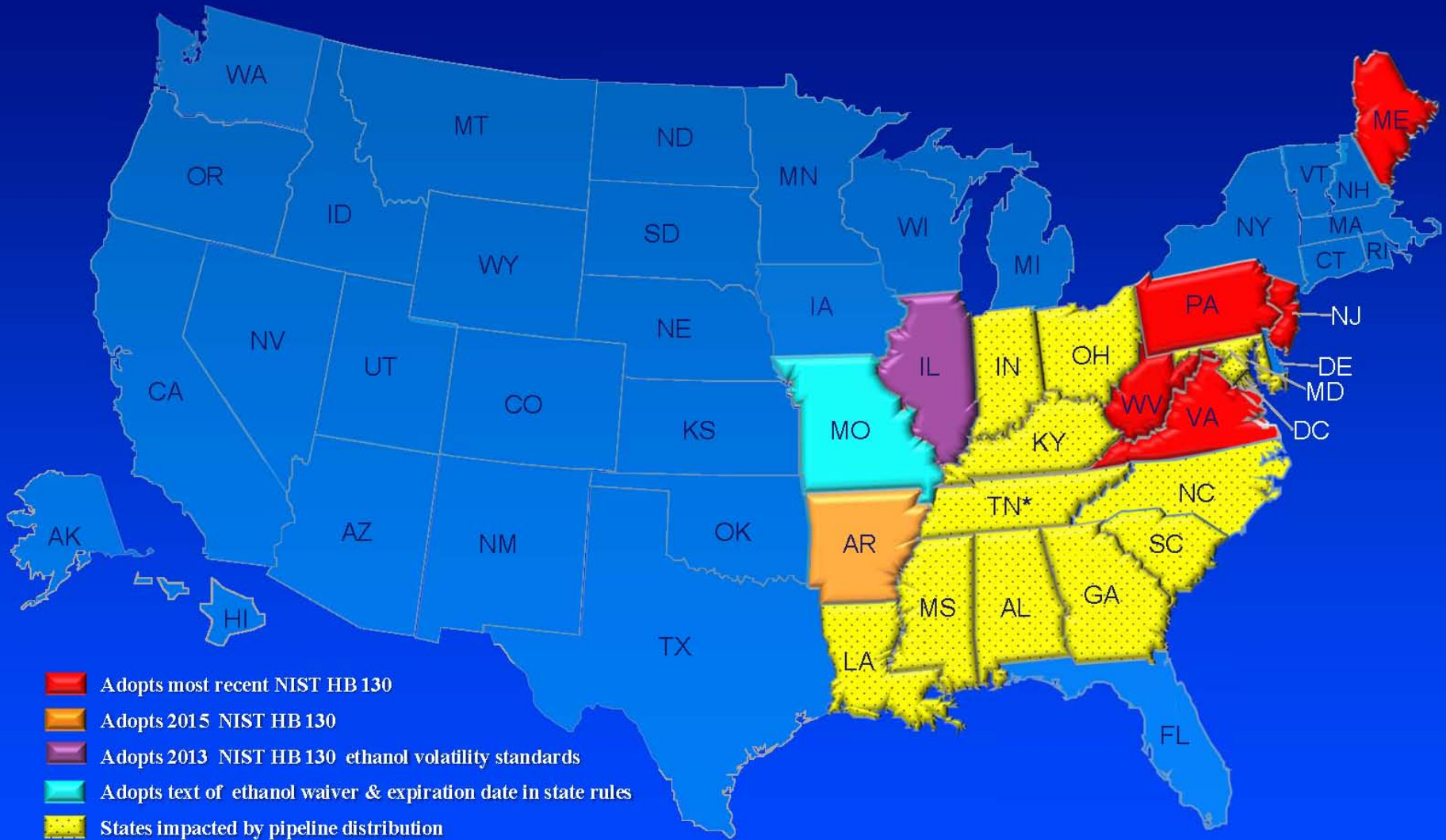
(EFFECTIVE JULY 28, 2016)



# Possible Impacts to State Supply

- Sunset date could impact fuel supply in mid-continent and eastern states
  - Pipelines are limited by tanks necessary to manage additional products
  - Possible reduced reliability and fuel shortages in multiple states putting upwards pressure on gasoline markets
  - 8 states that would be impacted on May 1, 2016 sunset date could be expanded to include an additional 10 or more states served by Colonial (LA, MS, AL, GA, SC, NC, MD) and by Buckeye (KY, OH and IN) and the District of Columbia.
  - Other pipelines (e.g., Magellan, Enterprise) and ship and barge movements could also be impacted
- All efforts are being made to ensure that the vapor pressure exception will be implemented in ASTM D4814 in a timely manner so that the U.S. fuel supply will not be negatively influenced

# States Impacted by Loss of Ethanol Vapor Pressure Waiver 2016



\* On December 21, 2015, Tennessee extended the sunset date of the current vapor pressure exceptions rule from May 1, 2016 until May 1, 2017.

Note: Includes states adopting NIST HB 130 ethanol waiver with May 1, 2016 expiration date, adopting HB 130 ethanol waiver & expiration date into state law/regulation, and states impacted by pipeline distribution.

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# Evidence Supports Continuation of 1-psi Exception/Waiver



- The 1-psi exception/waiver has been in place since 1979, billions of miles of consumer use without issue
- NCWM has granted a 1.0 psi RVP exception/waiver during the non-summer months without any significant or meaningful impact to the consumer's driving experience
- Auto/Oil research\* confirms consumer experience showing no negative impacts
- Refiners, Pipeliners, and Marketers (PMAA, NACS, SIGMA, PMAA) concerned about possible supply impact due to loss of 1-psi exception/waiver
- **Dec 21, 2015, Tennessee extended sunset date by one year to May 1, 2017**
  - Granted by order of the Commissioner of Department of Agriculture

\* CM-138-13-1 2014 Coordinating Research Council Hot-Fuel-Handling Program (CRC 668), Vehicle Driveability Program testing Maximum ASTM D4814 Volatility Class Gasoline Blends (Max. RVP, Min. T50, Min. TVL20)

# Pipeline Concerns Continue Today

Pipeline companies expressed concerns at NCWM in 2012 and their concerns continue today

[Magellan is] opposed to the elimination of the [vapor pressure exception] because it would (1) create a boutique fuel in several states (2) reduce pipeline efficiency which could result in supply disruptions (3) reduce gasoline supply by requiring a reduction of RVP and (4) impact the price unsuspecting motorists pay at the pump.

January 19, 2012, letter Mr. Ron Hayes, Fuels and Lubricants Subcommittee, NCWM from Mr. Rod Lawrence, Magellan

It is Colonial's understanding that all states along our system grant a 1.0 psi waiver for Non-VOC controlled RVP with the exception of Virginia, which adopts the latest version of HB 130. If this proposal were to go into effect, it would create a unique fuel to the State of Virginia markets.

January 20, 2012, letter to Mr. Ron Hayes, Fuels and Lubricants Subcommittee, NCWM from Mr. Keith Penn, Colonial



EXTEND THE SUNSET DATE OF THE 1-PSI VAPOR PRESSURE EXCEPTION  
TO MAY 1, 2017 **(EFFECTIVE JULY 28,  
2016)**

# Need Effective Date of July 28, 2016

## Proposal:

- Extend the effective date of the 1-psi vapor pressure exception to May 1, ~~2016-2017~~... **(Effective July 28, 2016)**
- Effective date of January 1, 2017 results in loss of 1.0 psi (and 0.5 psi) waiver from September 16, 2016 to December 31, 2016 with possible consequences identified above
- July 28, 2016 -- Last day of 2016 Annual Conference
  - Immediate effective date allowing certainty in the marketplace and helps limit supply disruptions that might be seen by the consumer
  - Vapor pressure exception continues to be available starting September 16, 2016
- If the vote passes at the NCWM Annual Meeting, NIST has agreed to post the change to HB 130 the next day

# Does HB 130 allow for effective date earlier than January 1?

tional Bureau of Standards Handbook 44, 3d Edition, *Specifications, Tolerances, and Other Technical Requirements for Commercial Weighing and Measuring Devices*.



## General Code

1. In most cases, whenever regulations are promulgated by an authority, a future enforcement date is stipulated to allow affected parties time to comply. The Committee agrees with the several suggestions it received concerning the need for establishing effective enforcement dates for amendments to Handbook 44 and recommends the following addition to the General Code:

**G-A.7. EFFECTIVE ENFORCEMENT DATES OF CODE REQUIREMENTS.**  
—Unless otherwise specified, each new or amended code requirement shall become effective, and be subject to enforcement, on January 1 of the year following its adoption by the National Conference on Weights and Measures and publication by the National Bureau of Standards.

It was suggested during the open meeting that this new paragraph was in need of clarification. It is the Committee's view that the key phrases "unless otherwise specified" and "each new or amended code requirement" clearly indicate the intent of this provision. The Committee recommends amendment to the code as per the tentative report.

1970 S&T  
Language  
(excerpted from  
report)

# Does HB 130 allow for effective date earlier than January 1?

## REPORT OF THE COMMITTEE ON SPECIFICATIONS AND TOLERANCES

Presented by D. E. KONSOER, *Chairman*, Director, Bureau of Weights and Measures, Food Division, Wisconsin Department of Agriculture

(Thursday, July 15, 1971)



### General Code

1. *G-A.7. Effective Enforcement Dates of Code Requirements.*—The Committee agrees with the comment it received that the requirements as added to the code last year would seem to preclude the regulatory authority of each jurisdiction, and thus recommends that this paragraph be amended to read as follows:

**G-A.7. EFFECTIVE ENFORCEMENT DATES OF CODE REQUIREMENTS.**  
—Unless otherwise specified, each new or amended code requirement shall not be subject to enforcement prior to January 1 of the year following the adoption by the National Conference on Weights and Measures and publication by the National Bureau of Standards.



# Does HB 130 allow for effective date earlier than January 1?

1992, L&R Adds Enforcement language to HB 130 (excerpted and reformatted)

**Details of All Items**  
(In order by Reference Key Number)

**210**                      **NIST Handbook 130 - General**

**210-2**                  **VC**      **Effective Enforcement Date of Uniform Regulations**

(This item was adopted as part of the consent calendar.)

**F. Effective Enforcement Dates of Regulations. - Unless otherwise specified, the new or amended regulations listed in this section shall become effective and subject to enforcement on January 1 of the year following adoption by the National Conference on Weights and Measures.**

- a. Uniform Packaging and Labeling Regulation**
- b. Uniform Regulation for the Method of Sale of Commodities**
- c. Uniform Unit Pricing Regulation**
- d. Uniform Regulation for the Voluntary Registration of Servicepersons and Service Agencies for Commercial Weighing and Measuring Devices**
- e. Uniform Open Dating Regulation**
- f. Uniform Regulation for National Type Evaluation**
- g. Uniform Regulation for Motor Fuel**

# Does HB 130 allow for effective date earlier than January 1?

- Specifically, Section H of the Introduction, states, “**Unless otherwise specified**, the new or amended regulations listed in this section are intended to become effective and subject to enforcement on January 1 of the year following adoption by NCWM.” [Emphasis added].
- Default is that the requirement would **not** be subject to enforcement earlier than January, HOWEVER, Conference has ability to make an exception
- **“Unless otherwise specified”**
  - Is very general
  - Modifies the entire sentence
  - Allows enforcement before January 1<sup>st</sup> in cases where specified
- S&T 1971 language original intent allows for earlier enforcement dates

# Proposal

Amend NIST Handbook 130, Uniform Engine Fuels and Automotive Lubricants Regulation as follows:

**2.1.2. Gasoline-Ethanol Blends.** – When gasoline is blended with ethanol, the ethanol shall meet the latest version of ASTM D4806, “Standard Specification for Denatured Fuel Ethanol for Blending with Gasolines for Use as Automotive Spark-Ignition Engine Fuel,” and the blend shall meet the latest version of ASTM D4814, “Standard Specification for Automotive Spark-Ignition Engine Fuel,” with the following permissible exceptions:

a. The maximum vapor pressure shall not exceed the ASTM D4814 limits by more than:

(1) 1.0 psi for blends containing 9 to 10 volume percent ethanol from June 1 through September 15.

(2) 1.0 psi for blends containing one or more volume percent ethanol for volatility classes A, B, C, D from September 16 through May 31.

(3) 0.5 psi for blends containing one or more volume percent ethanol for volatility Class E from September 16 through May 31.

- The vapor pressure exceptions in subsections 2.1.2. Gasoline-Ethanol Blends will remain in effect until May 1, ~~2016~~ **2017**, or until ASTM incorporates changes to the vapor pressure maximums for ethanol blends, whichever occurs earlier. **(Effective July 28, 2016)**



# Thank you

## Contact information

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