ARIZONA DEPARTMENT OF AGRICULTURE

WEIGHTS AND MEASURES SERVICES DIVISION

DRAFT – PROPOSED CHANGES TO ALLOW ISOBUTANOL

ARTICLE 7. MOTOR FUELS AND PETROLEUM PRODUCTS

R3-7‑701. Definitions

In addition to the definitions in A.R.S. § 3-3401 and R3-7-101, the following definitions apply to this Article unless the context otherwise requires:

“Address” means a street number, street name, city, state, and zip code.

“Area A” has the same meaning as in A.R.S. § 3-3401.

“Area B” has the same meaning as in A.R.S. § 3-3401.

“Area C” has the same meaning as in A.R.S. § 3-3401.

“Arizona Cleaner Burning Gasoline” or “Arizona CBG” means a gasoline blend that meets the requirements of this Article for gasoline produced and shipped to or within Arizona and sold or offered for sale for use in motor vehicles within the CBG-covered area, except as provided under A.R.S. § 3-3493(I).

“AST” means aboveground storage tank.

“AZRBOB” or “Arizona Reformulated Blendstock for Oxygenate Blending” means a combination of gasoline blendstocks that is intended to be or represented to constitute Arizona CBG upon the addition of a specified amount (or range of amounts) of ~~fuel ethanol~~ an approved oxygenate after the blendstock is supplied from the facility at which it was produced or imported.

“Batch” means a quantity of motor fuel or AZRBOB that is homogeneous for motor fuel properties specific for the motor fuel standards applicable to that motor fuel or AZRBOB.

“Beginning of transport” means the point at which:

A registered supplier relinquishes custody of Arizona CBG or AZRBOB to a transporter or third-party terminal; or

A registered supplier that retains custody of Arizona CBG or AZRBOB begins transfer of the Arizona CBG or AZRBOB into a vessel, tanker, or other container for transport to the CBG-covered area.

“Biodiesel” has the same meaning as prescribed under A.R.S. § 3-3401.

“Biodiesel blend” has the same meaning as prescribed under A.R.S. § 3-3401. Per ASTM D975, diesel fuel may contain 5 percent or less biodiesel and is not considered to be a biodiesel blend.

“Biofuel” has the same meaning as prescribed under A.R.S. § 3-3401.

“Biofuel blend” has the same meaning as prescribed under A.R.S. § 3-3401.

“Biofuel blender” means a person that modifies a motor fuel by adding a biofuel.

“Biofuel producer” means a person that owns, leases, operates, controls, or supervises a facility at which biofuel is produced.

“Biofuel Supplier” means a marketer or jobber of a biofuel or biofuel blend.

“Biomass” has the same meaning as prescribed under A.R.S. § 3-3401.

“Biomass-based diesel” has the same meaning as prescribed under A.R.S. § 3-3401.

“Biomass-based diesel blend” has the same meaning as prescribed under A.R.S. § 3-3401.

“Blendstock” means any liquid compound that is blended with another liquid compound to produce a motor fuel, including Arizona CBG. A deposit-control or similar additive registered under 40 CFR 79 is not a blendstock.

“CARB” means the California Air Resources Board.

“CARBOB Model” means the procedures incorporated by reference in R3-7-702(11).

“CARB Phase 2 gasoline” means gasoline that meets the specifications incorporated by reference in R3-7-702(8).

“CBG-covered area” means a county with a population of 1,200,000 or more persons according to the most recent United States decennial census and any portion of a county within area A.

“Conventional gasoline” means gasoline that conforms to the requirements of this Chapter for sale or use in Arizona, but does not meet the requirements of Arizona CBG or AZRBOB.

“Diesel fuel” or “Diesel” has the same meaning as prescribed under A.R.S. § 3-3401. Per ASTM D975, diesel fuel may contain 5 percent or less biodiesel.

“Duplicate” means a portion of a sample that is treated the same as the original sample to determine the accuracy and precision of an analytical method.

“EPA” means the United States Environmental Protection Agency.

“EPA waiver” means a waiver granted by the Environmental Protection Agency as described in “Waiver Requests under Section 211(f) of the Clean Air Act,” which is incorporated by reference in R3-7-702.

“Ethanol flex fuel” has the same meaning as prescribed under A.R.S. § 3-3401.

“Final destination” means the name and address of the location to which a transferee will deliver motor fuel for further distribution or final consumption.

“Final distribution facility” means a stationary motor-fuel transfer point at which motor fuel or AZRBOB is transferred into a cargo tank truck, pipeline, or other delivery vessel from which the motor fuel or AZRBOB will be delivered to a motor-fuel dispensing site. A cargo tank truck is a final distribution facility if the cargo tank truck transports motor fuel or AZRBOB and carries documentation that the type and amount or range of amounts of oxygenates designated by the registered supplier will be or have been blended directly into the cargo tank truck before delivery of the resulting motor fuel to a motor-fuel dispensing site.

“Fleet” means at least 25 motor vehicles owned or leased by the same person.

“Fleet vehicle fueling facility” means a facility or location where a motor fuel is dispensed for final use by a fleet.

“Fuel ethanol” means denatured ethanol that meets the requirements in ASTM D4806, which is incorporated by reference in R3-7-702.

“Gasoline” has the same meaning as prescribed under A.R.S. § 3-3401.

“Isobutanol” means butanol isomer 2-methyl-1-propanol that meets the requirements in ASTM D7862, which is incorporated by reference in R3-7-702.

“Jobber” means a person that distributes a motor fuel from a bulk storage plant to the owner or operator of a UST or AST or purchases a motor fuel from a terminal for distribution to the owner or operator of a UST or AST.

“Manufacturer’s proving ground” has the same meaning as prescribed under A.R.S. § 3-3401.

“Marketer” means a person engaged in selling or offering for sale motor fuels.

“Motor Fuel” has the same meaning as prescribed under A.R.S. § 3-3401.

“Motor fuel dispensing site” means a facility or location where a motor fuel is dispensed into commerce for final use.

“Motor fuel property” means any characteristic listed in R3-7-751(A)(1) through (7), R3-7-751(B)(1) through (7), Table 1, Table 2, or any other motor fuel standard referenced in this Article.

“Motor vehicle” means a vehicle equipped with a spark-ignited or compression-ignition internal combustion engine except:

A vehicle that runs on or is guided by rails, or

A vehicle designed primarily for travel through air or water.

“Motor vehicle racing event” has the same meaning as prescribed under A.R.S. § 3-3401.

“MTBE” means methyl tertiary butyl ether.

“Neat” means pure or 100 percent.

“NOx” means oxides of nitrogen.

“Octane,” “octane number,” or “octane rating” mean the anti-knock characteristic of gasoline as determined by the resultant arithmetic test average of ASTM D2699 and ASTM D2700.

“Oxygenate” has the same meaning as prescribed under A.R.S. § 3-3401.

“Oxygenate blender” means a person that owns, leases, operates, controls, or supervises an oxygenate-blending facility, or that owns or controls the blendstock or gasoline used, or the gasoline produced, at an oxygenate-blending facility.

“Oxygen content” means the percentage by weight of oxygen contained in a gasoline oxygenate blend as determined under ASTM D4815.

“Pipeline” means a transporter that owns or operates an interstate common-carrier pipe or is subject to Federal Energy Regulatory Commission tariffs to transport motor fuels into Arizona.

“Premium Diesel” means a diesel fuel meeting the requirements in ASTM D975 and in Handbook 130, Uniform Engine Fuels and Automotive Lubricants Regulations, Section 2.2.1(a) through 2.2.1(d).

“Producer” means a refiner, blender, or other person that produces a motor fuel, including Arizona CBG or AZRBOB.

“Production facility” means a facility at which a motor fuel, including Arizona CBG or AZRBOB, is produced. Upon request of a producer, the associate director may designate, as part of the producer’s production facility, a physically separate bulk storage facility that:

Is owned or leased by the producer;

Is operated by or at the direction of the producer; and

Is used to store or distribute motor fuels, including Arizona CBG or AZRBOB, that are supplied only from the production facility.

“Product transfer document” has the same meaning as prescribed under A.R.S. § 3-3401.

“Refiner” means a person that owns, leases, operates, controls, or supervises a refinery in the United States, including its trust territories.

“Refinery” means a facility that produces a liquid fuel, including Arizona CBG or AZRBOB, by distilling petroleum, or a transmix facility that produces a motor fuel offered for sale or sold into commerce as a finished motor fuel.

“Reproducibility” means the testing method margin of error as provided in the ASTM specification or other testing method required under this Article.

“Supply” means to provide or transfer motor fuel to a physically separate facility, vehicle, or transportation system.

“Terminal” means an owner or operator of a motor fuel storage tank facility that accepts custody, but not necessarily ownership, of a motor fuel from a registered supplier, oxygenate blender, pipeline, or other terminal and relinquishes custody of the motor fuel to a transporter or another terminal.

“Test result” means any document that contains a result of testing including all original test measures, all subsequent test measures that are not identical to the original test measure, and all worksheets on which calculations are performed.

“Transferee” means a person that receives title to or custody of a motor fuel.

“Transferor” means a person that relinquishes title to or custody of a motor fuel to a transporter, marketer, jobber, or motor fuel dispensing site.

“Transmix” means a mixture of petroleum distillate fuel and gasoline that does not meet the Arizona standards for either petroleum distillate fuels or gasoline.

“Transmix facility” means a facility at which transmix is processed into its components and then the components either are combined with a finished product or further processed to produce a finished motor fuel.

“Transporter” means a person that causes motor fuels, including Arizona CBG or AZRBOB, to be transported into or within Arizona.

“UST” means underground storage tank.

“Vapor pressure” means dry vapor pressure equivalent of gasoline or blendstock as measured according to ASTM D5191.

“Vehicle emissions control area” has the same meaning as prescribed under A.R.S. § 3-3401.

“VOC” means volatile organic compound.

R3-7-702. Material Incorporated by Reference

**A.** The following documents are incorporated by reference and on file with the Division. The documents incorporated by reference contain no future editions or amendments.

1. 16 CFR 306 - Automotive Fuel Ratings, Certification and Posting, January 14, 2016 Edition, Government Publishing Office, 732 North Capitol Street, NW, Washington, D.C. 20401-0001 or bookstore.gpo.gov.

2. API Recommended Practice 1637 (API RP 1637), “Using the API Color-Symbol System to Mark Equipment and Vehicles for Product Identification at Gasoline Dispensing Facilities and Distribution Terminals,” published July 2006, Reaffirmed May 2012, American Petroleum Institute (API), 6300 Interfirst Drive, Ann Arbor, MI, 48108.

3. ASTM Standard D975, 2016a (ASTM D975-16a), “Standard Specification for Diesel Fuel Oils,” published  2016, ASTM International, 100 Barr Harbor Drive, West Conshohocken, PA 19428-2959 or www.astm.org.

4. ASTM Standard D4806, 2016a (ASTM D4806-16a), “Standard Specification for Denatured Fuel Ethanol for Blending with Gasolines for Use as Automotive Spark-Ignition Engine Fuel,” published  2016, ASTM International, 100 Barr Harbor Drive, West Conshohocken, PA 19428-2959 or www.astm.org.

5. ASTM Standard D4814, 2016ee1 (ASTM D4814-16ee1), “Standard Specification for Automotive Spark-Ignition Engine Fuel,” published 2016, ASTM International, 100 Barr Harbor Drive, West Conshohocken, PA 19428-2959 or www.astm.org.

6. Waiver Requests under Section 211(f) of the Clean Air Act, (August 22, 1995 edition), United States Environmental Protection Agency, Transportation and Regional Programs Division, Fuels Program Support Group, Mail Code 6406-J, Washington, D.C. 20460.

7. ASTM Standard D5798, 2015 (ASTM D5798-15), “Standard Specification for Ethanol Fuel Blends for Flexible-Fuel Automotive Spark-Ignition Engines,” published 2015, ASTM International, 100 Barr Harbor Drive, West Conshohocken, PA 19428-2959 or www.astm.org.

8. ASTM Standard D6751, 2015ce1 (ASTM D6751-15ce1), “Standard Specification for Biodiesel Fuel Blend Stock (B100) for Middle Distillate Fuels,” published 2015, ASTM International, 100 Barr Harbor Drive, West Conshohocken, PA 19428-2959 or www.astm.org.

9. ASTM Standard D7862, 2015a (ASTM D7862-15a), “Standard Specification for Butanol for Blending with Gasoline for Use as Automotive Spark-Ignition Engine Fuel,” published 2015, ASTM International, 100 Barr Harbor Drive, West Conshohocken, PA 19428-2959 or www.astm.org.

~~9.~~ 10. California Air Resources Board, “California Procedures for Evaluating Alternative Specifications for Phase 2 Reformulated Gasoline Using the California Predictive Model,” adopted April 20, 1995. A copy may be obtained at: CARB, P.O. Box 2815, Sacramento, CA 95812 or www.arb.ca.gov.

~~10.~~ 11. The Federal Complex Model contained in 40 CFR 80.45, January 1, 1999. A copy may be obtained at: Government Publishing Office, 732 North Capitol Street, NW, Washington, D.C. 20401-0001 or bookstore.gpo.gov.

~~11.~~ 12. California Air Resources Board, The California Reformulated Gasoline Regulations, Title 13, California Code of Regulations, Section 2266.5 (Requirements Pertaining to California Reformulated Gasoline Blendstock for Oxygen Blending (CARBOB) and Downstream Blending), as of April 9, 2005. A copy may be obtained at: CARB, P.O. Box 2815, Sacramento, CA 95812 or www.arb.ca.gov.

~~12.~~ 13. California Air Resources Board, Procedures for Using the California Model for California Reformulated Gasoline Blendstocks for Oxygenate Blending (CARBOB), adopted April 25, 2001. A copy may be obtained at: CARB, P.O. Box 2815, Sacramento, CA 95812 or www.arb.ca.gov.

~~13.~~ 14. ASTM Standard D7467, 2015ce1 (ASTM D7467-15ce1), “Standard Specification for Diesel Fuel Oil, Biodiesel Blend (B6 to B20),” published 2015, ASTM International, 100 Barr Harbor Drive, West Conshohocken, PA 19428-2959 or www.astm.org.

~~14.~~ 15. SAE International, SAE J285, “Dispenser Nozzle Spouts for Liquid Fuels Intended for Use with Spark Ignition and Compression Ignition Engines,” published May 5, 2012, SAE International, 400 Commonwealth Drive, Warrendale, PA 15096-0001 or www.sae.org.

**B.** Subsection (A)(11) will not become effective until Arizona’s revised State Implementation Plan submitted by ADEQ to EPA in August 2013 and subsequent supplement submitted July 2014 is approved by EPA.

R3-7-703. Volumetric Inspection of Motor Fuels and Motor Fuel Dispensers

**A.** After completing an inspection, the Division shall return all motor fuel to the owner or operator of a motor fuel dispensing site at the site where the Division collected the motor fuel.

**B.** After completing an inspection, if a motor fuel cannot be returned to the owner or operator of a motor fuel dispensing site at the site where the Division collected the motor fuel, the Division shall transport the motor fuel to another site of the owner or operator’s choice and within a 20-mile radius of the inspection site.

R3-7-704. Motor Fuel Dispensing Site Price and Grade Posting on External Signs

**A.** A person who owns or operates a motor fuel dispensing site that has an external sign shall ensure that the sign:

1. Identifies whether the price differs depending on whether the payment is cash, credit, or debit;

2. Identifies the self-service and full-service prices, if different;

3. Discloses the full price of motor fuel including fractions of a cent and all federal and state taxes, if the sign displays the motor fuel price. A decimal point shall be used in the displayed price when a dollar sign precedes the posted price;

4. Displays lettering at a height of at least 1/5 of the letter height of the motor fuel price displayed on the external sign or 2 1/2", whichever is larger, and is visible from the road;

5. States the terms of any condition if the displayed price is conditional upon the sale of another product or service. The terms of any condition shall comply with the letter height requirement in subsection (A)(4);

6. Describes the motor fuel that meets ASTM D975 as No. 1 Diesel, #1 Diesel, No. 2 Diesel, #2 Diesel, or premium diesel. Describes other fuel for use in compression ignition engines as biodiesel, or biodiesel blend. Diesel fuel No. 2 may be labeled on dispensers as diesel fuel without indication of the fuel grade;

7. Describes motor fuel with an ethanol concentration of 51 to 83 volume percent as ethanol flex fuel;

8. Identifies the unit of measure of the price, if it is other than per gallon; and

9. Sites that sell Ethanol Flex Fuel previously labeled as “E-85” shall update the signage to reflect the sale of Ethanol Flex Fuel no later than January 1, 2018. In no case shall signage with an incorrect ethanol content be advertised at the motor fuel dispensing site.

**B.** For the following terms used on a sign to describe a gasoline grade or gasoline-oxygenate blend, the grade or blend shall meet the following minimum antiknock index as determined by the test average of ASTM D 2699 and ASTM D 2700, also known as the (R+M)/2 method:

|  |  |  |
| --- | --- | --- |
|  | Term | Minimum Antiknock Index |
| 1. | Regular, Reg, Unleaded, UNL, or UL | 87 |
| 2. | Midgrade, Mid, or Plus | 89 |
| 3. | Premium, PREM, Super, Supreme, High, or High Performance | 91 |

**C.** A person may use an alternative to the descriptions provided in subsection (B) upon receipt of written approval by the associate director.

**R3-7-705.** **Dispenser Labeling at Motor Fuel Dispensing Sites**

The owner or operator of a motor fuel dispensing site shall label dispensers in accordance with the following provisions:

**A.** Pricing, motor fuel grade, octane rating, and lead substitute. A motor fuel dispensing station owner or operator shall ensure that information regarding pricing, motor fuel grade, octane rating, and lead-substitute addition displayed on a  motor fuel dispenser:

1. Lists the full price of the motor fuel including fractions of a cent and all federal and state taxes;

2. Displays the highest price of motor fuel sold from the dispenser prior to any deliberate action of the customer resulting in a discounted price being displayed, provided the dispenser is capable of dispensing and computing the price of motor fuel at more than one price;

3. Complies with the requirements of R3-7-704(A)(1), (A)(2), (A)(3), (A)(5), (A)(6), (A)(7), (A)(8), (A)(9) and (B).

4. Displays the octane rating of each grade of gasoline;

5. Displays the signs required by Handbook 130 for motor fuel dispensers that dispense gasoline with lead substitute, in letters at least 1/4” in height; and

6. Sites that sell ethanol flex fuel previously labeled as “E-85” shall update the signage to reflect the sale of ethanol flex fuel no later than January 1, 2018. In no case shall signage with an incorrect ethanol content be advertised at the motor fuel dispensing site.

**B.** All motor fuels shall meet the labeling requirements of 16 CFR 306. Additionally, the following requirements apply:

1. Gasoline containing fuel ethanol.

1. Gasoline containing greater than 1.5 percent by weight oxygen or 4.3 percent by volume fuel ethanol shall be labeled with the following statement to indicate the maximum percent by volume of fuel ethanol contained in the gasoline: “May contain up to \_\_\_\_ % fuel ethanol.”

ii. Within the CBG-covered area and area B, gasoline containing fuel ethanol shall be labeled with the following statement: “This gasoline is oxygenated with fuel ethanol and will reduce carbon monoxide emissions from motor vehicles.”

iii. Gasoline for sale outside of the CBG-covered area with an ethanol content greater than 10 volume percent and less than or equal to 15 volume percent shall additionally be labeled in accordance with 40 CFR 80.1501, as it existed on July 18, 2014, is incorporated by reference and on file with the Division. A copy may be obtained at the Government Publishing Office, P.O. Box 979050, St. Louis, MO 63197-9000 or bookstore.gpo.gov.

2. Gasoline containing an oxygenate other than fuel ethanol. Gasoline containing greater than 1.5 percent by weight shall be labeled with the following statement to indicate the type and maximum percent by volume of oxygenate contained in the gasoline: “May contain up to \_\_\_\_ % \_\_\_\_\_\_.”

3. The labels in subsection B(1) and (B)(2) shall be printed in black and white block letters on a sharply contrasting background with lettering no smaller than ¼ inch. The statements in subsection (B)(1)(i) and (B)(1)(ii) may be printed on the same label or on separate labels if the statements are displayed next to each other.

4. Non-oxygenated gasoline. It is prohibited to label a dispenser as containing no oxygenate if the gasoline contains more than 0.5 percent by volume of any oxygenates.

5. Biodiesel blends. The diesel grade component as contained within ASTM D975 for grades other than No. 2 diesel shall be identified.

**C.** Unattended retail motor fuel dispensers. In addition to all labeling and sign requirements in this Article, the owner or operator of a motor fuel dispensing site that is unstaffed shall post on or next to each motor fuel dispenser a sign or label, in public view, that conspicuously lists the owner’s or operator’s name, address, and telephone number.

**D.** All dispensers shall have a decal that contains the Division’s name and phone number. A template of the decal shall be placed on the Weights and Measures Services Division website for use by retailers. The seal placed by the Division under A.R.S. § 3-3414(A)(13) satisfies this requirement.

**E.** All labels required under this section shall be in the upper 50 percent of the front panel of each motor fuel dispenser and shall be clean, legible, and visible at all times.

R3-7-706. Repealed

R3-7-707. Product Transfer Documentation and Record Retention for Motor Fuel other than Arizona CBG and AZRBOB

**A.** When a transferor transfers custody or title to a motor fuel that is not Arizona CBG or AZRBOB, and the motor fuel is not sold or dispensed at a motor fuel dispensing site or fleet vehicle fueling facility, the transferor shall provide to the transferee documents that include the following information:

1. The grade of the motor fuel;

2. The volume of each grade of motor fuel being transferred;

3. The date of the transfer;

4. Product transfer document number;

5. For conventional gasoline, the minimum octane rating of each grade as prescribed by 16 CFR 306;

6. For conventional gasoline, the type and maximum volume of oxygenate contained in each grade;

7. For conventional gasoline transported in or through the CBG-covered area, the statement, “This gasoline is not intended for use inside the CBG-covered area”;

8. If a lead substitute is present in the gasoline, the type of lead substitute present;

9. For the following biofuel or biofuel blends;

a. Ethanol Flex Fuel shall contain a declaration of the volume percent of ethanol in the blend; or

b. Biodiesel and biomass-based diesel blends containing more than 5 percent biodiesel or biomass-based diesel shall contain a declaration of the volume percent biodiesel or biomass-based diesel in the blend, as well as the grade of diesel in the blend; and

c. All other biofuel or biofuel blends shall contain the percentage of biofuel in the finished product.

10. The final destination:

a. When a terminal is the transferor, the owner or operator of the terminal shall include on the product transfer document the terminal name and address~~,~~ and the transporter name and address;

b. When a transporter is the transferor, the transporter shall include on the product transfer document the name and address of the transporter and the final destination, which is the location at which the motor fuel will be delivered and off loaded from the truck; and

c. When a jobber or marketer is the transferor, the jobber or marketer shall include on the product transfer document the name and address of the jobber or marketer and the final destination, which may be a final distribution facility or a motor fuel dispensing site.

**B.** To enable a transferor to comply fully with the requirement in subsection (A)(10)(b) and (A)(10)(c), the transferee shall supply to the transferor information regarding the final destination.

**C.** A registered supplier, third-party terminal, or pipeline may use standardized product codes on pipeline tickets as the product transfer documentation.

**D.** A person identified in subsection (A) shall retain product transfer documentation for each shipment delivered for 12 months. This documentation shall be available within two working days from the time of the Division’s request.

**E.** A person identified in subsection (A) shall maintain product transfer documentation for a transfer or delivery during the preceding 30 days at that person’s address listed on the product transfer documentation.

**F.** An owner or operator of a motor fuel dispensing site or fleet owner shall maintain product transfer documentation for the three most recent deliveries of each grade of motor fuel on the premises of the motor fuel dispensing site owner or operator or fleet owner. This documentation shall be available for Division review.

**G.** The Division shall accept a legible photocopy of a product transfer document instead of the original.

**H.** A person transferring custody or title of Arizona CBG or AZRBOB shall comply with R3-7-757.

R3-7-708. Gasoline Oxygenate Blends

**A.** A person that has custody of gasoline blended with an oxygenate shall ensure that the amount of oxygenate does not exceed the amount allowed by EPA waivers, Section 211(f) of the Clean Air Act, and A.R.S. § 3-3491.

**B.** Special provisions for gasoline ethanol blends.

1. A gasoline ethanol blend that meets the requirements in subsections (B)(1)(a) and (b) shall not exceed the vapor pressure specified in ASTM D4814 by more than 1 psi:

a. The concentration of the ethanol, excluding the required denaturing agent, shall be:

i. From May 1 through September 15, at least nine percent and no more than 10 percent by volume of the gasoline ethanol blend; and

ii. From September 16 through April 30, at least 1.5 percent by weight and no more than 10 percent by volume of the gasoline ethanol blend; and

b. The ethanol content of the gasoline ethanol blend shall:

i. Be determined using the appropriate test method listed in ASTM D4814, and

ii. Not exceed any applicable waiver condition under Section 211(f) of the Clean Air Act.

2. The provision in subsection (B)(1) is effective for gasoline ethanol blends sold:

a. Outside the CBG-covered area year around, and

b. Within the CBG-covered area during April.

3. Gasoline blended with no more than 10 percent by volume of fuel ethanol shall be blended using one of the following alternatives:

a. The base gasoline complies with the standards in ASTM D4814, the fuel ethanol complies with the standards in ASTM D4806, and the finished blend complies with the standards in ASTM D4814 with the following permissible exceptions:

i. The distillation minimum temperature at the 50 volume percent evaporated point is not less than 66°C (150°F), and

ii. The minimum test temperature at which the vapor/liquid ratio is equal to 20 is waived;

b. The finished blend complies with the standards in ASTM D4814; or

c. The base gasoline complies with the standards in ASTM D4814 except distillation and the finished blend complies with the standards in ASTM D4814 with the following permissible exceptions:

i. The distillation minimum temperature at the 50 volume percent evaporated point is not less than 66°C (150°F), and

ii. The minimum test temperature at which the vapor/liquid ratio is equal to 20 is waived.

~~4.~~ **C.** A gasoline ethanol blend shall meet the standards specified in ASTM D4814.

**~~C.~~D.** In addition to complying with the requirements in R3-7-707, the transferor of an ~~gasoline ethanol~~ oxygenated gasoline blend shall ensure that the product transfer document contains a legible and conspicuous statement that the gasoline being transferred contains ~~fuel ethanol and the percentage concentration of fuel ethanol~~ an oxygenate and lists the type and concentration of the oxygenate.

**~~D.~~E.** Nothing in this subsection shall preclude the sale of gasoline with an ethanol content greater than 10 percent by volume and less than or equal to 15 percent by volume of ethanol outside of the CBG-covered area.

R3-7-709. Repealed

R3-7-710. Blending Requirements

**A.** A person that has custody of or transports an oxygenated gasoline blend shall ensure that no neat oxygenate blending occurs at a motor fuel dispensing site or fleet vehicle fueling facility.

**B.** If a motor fuel dispensing site storage tank contains an oxygenated gasoline blend that does not contain the amount of oxygen required by A.R.S. § 3-3491, 3-3492, 3-3495, or R3-7-751, the owner or operator of the motor fuel dispensing site shall do one of the following:

1. Add a gasoline blend that dilutes the non-compliant oxygenated gasoline blend to the level of oxygen content required by A.R.S. § 3-3491, 3-3492, 3-3495, or R3-7-751;

2. Empty the storage tank and replace the non-compliant oxygenated gasoline blend with a required oxygenate blend;

3. Upon written permission of the associate director, add gasoline that contains no more than 20 percent by volume of the same oxygenate to the non-compliant oxygenated gasoline blend.

R3-7-711. Gasoline-Alcohol Blend Storage Tank Requirements

**A.** Before a person adds the initial gasoline-alcohol blend into a storage tank, the person shall:

1. Test the storage tank for the presence of water and, if any water is detected, remove the water from the storage tank; and

2. Install a fuel filter designed for use with gasoline-alcohol blends in the fuel line of all motor fuel dispensers that dispense gasoline-alcohol blends.

**B.** If water is detected in a storage tank containing a gasoline-alcohol blend, the owner or operator shall empty the storage tank.

R3-7-712. Water in Motor Fuel Dispensing Site Storage Tanks

A motor fuel dispensing site owner or operator shall ensure that water in a motor fuel storage tank other than an alcohol gasoline blend, does not exceed 1” in depth when measured from the bottom through the fill pipe. The owner or operator shall remove all water from the tank before delivery or sale of motor fuel from that tank.

R3-7-713. Motor Fuel Storage Tank Labeling

**A.** An owner or operator of a motor fuel dispensing site shall ensure that all motor fuel storage tank fill pipes and gasoline vapor return lines located at the motor fuel dispensing site are labeled to identify the contents accurately as:

1. Unleaded gasoline,

2. Unleaded midgrade gasoline,

3. Unleaded premium gasoline,

4. No. 1 or #1 diesel fuel,

5. No. 2, #2 diesel fuel, or diesel fuel,

6. Premium diesel,

7. Gasoline vapor return,

8. Biodiesel or biodiesel blend, for blends containing more than 5 percent by volume,

9. E85 or Ethanol flex fuel, or

10. Other fuel as designated on the product transfer document.

**B.** An owner or operator of a motor fuel dispensing site shall ensure that the label required under subsection (A) is at least 1 1/2" x 5" with at least 1/4" black or white block lettering on a sharply contrasting background and that the label is clean, visible, and legible at all times.

**C.** An owner or operator of a motor fuel dispensing site may display other information on the reverse side of a two-sided label.

**D.** An owner or operator of a motor fuel dispensing site shall not put motor fuel into storage tanks without attaching the proper label.

**E.** A person shall not deliver motor fuel to a motor fuel dispensing site unless the product transfer documents confirm the motor fuel is the correct type as indicated on the tank fill pipes labeled under subsection (A) or the product being delivered meets or exceeds the standards.

**F.** If tank manhole covers are color-coded, the color coding shall comply with API 1637.

R3-7-714. Additional Requirements for Motor Fuels

**A.** A person that owns or operates a motor fuel dispensing site, transmix, or production facility outside the CBG-covered area shall ensure that a motor fuel offered for sale meets the requirements of the applicable specifications in R3-7-702 except that the maximum vapor pressure from May 1 through September 30 shall be 9.0 pounds per square inch or as allowed under R3-7-708(B).

**B.** The owner or operator of a motor fuel dispensing site shall ensure that the finished gasoline is visually free of water, sediment, and suspended matter and is clear and bright at ambient temperature or 70° F (21° C), whichever is greater.

**C.** Prohibited activities regarding a motor fuel sold or offered for sale.

1. The owner or operator of a motor fuel dispensing site shall not sell or offer for sale from the motor fuel dispensing site storage tank a product that is not a motor fuel~~;~~.

2. The owner or operator of a motor fuel dispensing site or transmix or production facility shall not sell or offer for sale a motor fuel that contains more than 0.3 volume percent MTBE or more than 0.1 weight percent oxygen from all other ethers or alcohols as listed in A.R.S. § 3-3491.

3. A transporter shall not deliver to a motor fuel dispensing site or place in a motor fuel dispensing site storage tank a product that is not motor fuel.

**D.** Biofuels and biofuel blends. Biofuel producers, biofuel blenders, and biofuel suppliers and owners or operators of motor fuel dispensing sites shall comply with the requirements in R3-7-718.

R3-7-715. Motor Fuel Testing Methods and Requirements

**A.** Unless otherwise required in A.R.S. Title 3, Chapter 19, or this Chapter, the producer of a motor fuel shall test and certify the motor fuel for its motor fuel properties using the methodologies in R3-7-702

**B.** The octane rating shall be determined and certified in accordance with 16 CFR 306 using the average of ASTM D2699 and ASTM D2700, also known as the (R+M)/2 method.

R3-7-716. Sampling and Access to Records

**A.** The Division shall obtain motor fuel samples for testing from:

1. The same motor fuel dispenser used for sales to customers;

2. The same motor fuel dispenser used for dispensing motor fuel into fleet vehicles;

3. A bulk storage facility;

4. A pipeline having custody of motor fuel, including Arizona CBG or AZRBOB;

5. A transporter of motor fuel, including Arizona CBG or AZRBOB;

6. A final distribution facility;

7. A third-party terminal having custody of motor fuel, including Arizona CBG or AZRBOB;

8. An oxygenate blender or registered supplier; or

9. A transmix or production facility.

**B.** An owner or operator of a motor fuel dispensing site, pipeline, third-party terminal, or storage, transmix, production, or distribution facility, or a transporter, registered supplier, or oxygenate blender shall maintain for five years records relating to producing, importing, blending, transporting, distributing, delivering, testing, or storing motor fuels, including Arizona CBG or AZRBOB, and shall make the records available for Division inspection upon request.

**R3-7-717.** **Motor Fuel Dispensing Site Equipment**

**A.** Hold-open latch. If an owner or operator of a motor fuel dispensing site has a dispensing device with a motor fuel nozzle equipped with a hold-open latch, the owner or operator shall ensure that the latch operates according to the manufacturer’s specifications.

**B.** Nozzle requirements for diesel fuel. An owner or operator of a motor fuel dispensing site with a dispensing device from which diesel fuel is sold at retail shall ensure that the dispensing device has a nozzle spout with a diameter that conforms to SAE J285, “Dispenser Nozzle Spouts for Liquid Fuels Intended for Use with Spark Ignition and Compression Ignition Engines.”

**C.** Motor fuel dispenser filters. An owner or operator of a motor fuel dispensing site shall ensure that:

1. All gasoline, gasoline-alcohol blends, and ethanol flex fuel dispensers have a 10 micron or smaller nominal pore-sized filter;

2. Dispensers that dispense gasoline-alcohol blends shall have fuel filters designed for use with gasoline-alcohol blends;

3. All biodiesel, biodiesel blends, diesel, and kerosene dispensers have a 30 micron or smaller nominal pore-sized filter; or

4. In the event a fuel dispenser is not manufactured to be equipped to use fuel filters, they shall be installed in line with the fuel dispensing hose at the base of the dispenser. If this is not feasible, the motor fuel dispensing site owner may provide evidence that fuel filters cannot be installed at the site due to the configuration and apply for a waiver from these requirements from the Associate Director.

**D.** From and after September 30, 2018, all retail diesel fuel dispensers shall be equipped with nozzles that have a green grip guard and ethanol flex fuel dispensers shall be equipped with nozzles that have a yellow grip guard. No other nozzles shall be equipment with these color grip guards.

**E.** Motor fuel dispensers shall meet appropriate UL ratings and be compatible with the motor fuel being dispensed.

R3-7-718. Additional Requirements for Production, Transport, Distribution, and Sale of Biofuels and Biofuel Blends

**A.**  Registration and reporting requirements for biofuel blenders, biofuel producers, and biofuel suppliers of biofuel or biofuel blends in Arizona.

1. Registration requirement.

a. A biofuel producer, biofuel supplier, or biofuel blender shall register with the associate director, using a form prescribed by the associate director, before producing or supplying biofuel or biofuel blend in Arizona.

b. A person required to register under subsection (A)(1)(a) shall notify the associate director within 10 days after the effective date of a change in any of the information provided under subsection (A)(1)(a).

c. If a biofuel producer, biofuel supplier, or biofuel blender fails to register under subsection (A)(1)(a), the associate director shall take action as allowed under A.R.S. § 3-3475 and R3-7-762.

d. The Division shall maintain and make available to the public a list of all persons registered under this Section.

2. Reporting requirement.

a. A person required to register under subsection (A)(1)(a) shall report to the Division by January 30th of each year for the previous calendar year. The person shall:

i. Report on a form or in a format prescribed by the associate director;

ii. Provide the total amount of biofuel or biofuel blend produced or supplied for the previous calendar year, including the total amount of each blend component;

iii. Attest to the truthfulness and accuracy of the information submitted;

iv. and ensure that the report form is signed or submitted electronically by a corporate officer, or the officer’s designee, responsible for operations at the facility at or from which the biofuel or biofuel blend was produced or supplied.

b. The Division shall classify the information submitted under subsection (A)(2)(a) as confidential and protected under A.R.S. § 44-1374 if the person that submits the information expressly designates the information as confidential.

**B.** Quality Assurance and Quality Control (QA/QC) program requirements.

1. A biofuel producer or biofuel blender shall implement a QA/QC program to ensure the quality of a biofuel or biofuel blend produced in or supplied in or into Arizona.

2. The QA/QC program implemented by a biofuel producer shall include the following minimum requirements:

a. A sampling and testing program to certify that the biofuel meets applicable ASTM requirements. All samples shall be collected following addition of any applicable blend components in accordance with ASTM methods. The plan shall include a policy for sample retention;

b. A Certificate of Analysis with a unique identification number generated for each batch produced and indicated on the product transfer document;

c. The Certificate of Analysis required under subsection (B)(2)(b) and any other supporting sampling and testing documentation required under this Section is made available to the Division within 24 hours of a request; and

d. Any storage tank containing biofuel that is inactive for more than 30 days is resampled and analyzed to verify the fuel meets ASTM standards.

3. The QA/QC program implemented by a biofuel blender shall include the following minimum requirements:

a. Retention of:

i. Documentation that demonstrates the applicable biofuel blend components were received from a facility registered with the EPA under 40 CFR 80, subpart K or M;

ii. Certificates of Analysis for the biofuel used as a blend component in the blending process; and

iii. Documentation such as a product transfer document that demonstrates the diesel fuel used in the blending process meets the requirements of ASTM D975;

b. For biodiesel blending, all diesel fuel used as a blend component is analyzed to verify the biodiesel content before blending if the initial volume percent of biodiesel content in the diesel fuel component is unknown; alternatively, for biodiesel blends blended at a motor fuel dispensing site, the biofuel blender may assume the diesel contains 5% biodiesel and prepare and maintain calculations demonstrating the biodiesel content of the final biodiesel blend if it is advertised to consumers as a B6 to B20 biodiesel blend and the calculations demonstrate the biodiesel blend will be compliant with the biodiesel content advertised;

c. Any storage tank containing biofuel that is inactive for more than 30 days is resampled and analyzed to verify the fuel meets ASTM standards; and

d. All biodiesel used as a blend component in biodiesel blends consists of at least 99 percent biodiesel unless approved by the Division.

4. All records required under this subsection are maintained either onsite or at an offsite location for at least five years and made available to the Division upon request.

5. In the event the Division identifies biofuel or biofuel blends that do not meet ASTM requirements, the producer or biofuel blender shall evaluate the QA/QC program and make any additional changes that may be required to bring the fuel into compliance.

**C.** Ethanol flex fuel sold or offered for sale within the CBG-covered area shall:

1. Use fuel ethanol that meets the standards in this Chapter, and

2. Have a maximum vapor pressure that does not exceed the maximum vapor pressure requirements in R3-7-751(A)(6).

**D.** Requirements for motor fuel dispensing sites. The owner or operator of a motor fuel dispensing site at which ethanol flex fuel is dispensed shall ensure that any ethanol flex fuel, biodiesel or biodiesel blend sold, offered or exposed for sale, or dispensed was received from and traceable to a person registered with the Division under subsection (A)(1) and the Environmental Protection Agency under 40 CFR 80, subparts K or M.

**E.** Exemptions.

1. A biofuel producer, biofuel supplier, or biofuel blender located outside of Arizona and supplying biofuel to a registered biofuel producer, biofuel supplier, or biofuel blender located within Arizona is not required to register under subsection (A)(1)(a);

2. Diesel fuel containing five percent by volume or less biodiesel is exempt from this Section if the following conditions are met:

a. The diesel fuel meets the standards of ASTM D975; and

b. If the initial volume percent of biodiesel content is unknown, the person blending the biodiesel into diesel fuel analyzes the diesel fuel to verify the initial biodiesel content and ensure the resulting blend meets the requirements in ASTM D975.

3. A biofuel producer, biofuel supplier, or biofuel blender who produces, supplies, or blends diesel fuel blended with a biomass-based diesel where the resulting fuel meets the requirements in ASTM D975 is exempt from this section.

4. Gasoline and oxygenated fuel as defined in A.R.S. 3-3401 ~~containing up to 10 percent ethanol~~ is exempt from this section.

R3-7-749. Definitions Applicable to Arizona CBG and AZRBOB

The following definitions apply only to R3-7-750 through R3-7-762, including Tables A, 1, and 2:

“Designated alternative limit” means a motor fuel property specification, expressed in the nearest part per million by weight for sulfur content, nearest 10th percent by volume for aromatic hydrocarbon content, nearest 10th percent by volume for olefin content, and nearest degree Fahrenheit for T90 and T50, that is assigned by a registered supplier to a final blend of Type 2 Arizona CBG or AZRBOB for purposes of compliance with the Predictive Model Procedures.

“Downstream oxygenate blending” means combining AZRBOB and ~~fuel ethanol~~ and an oxygenate to produce fungible Arizona CBG.

“Importer” means any person that assumes title or ownership of Arizona CBG or AZRBOB produced by an unregistered supplier.

“Oxygenate-blending facility” means any location (including a truck) where ~~fuel ethanol~~ an oxygenate is added to Arizona CBG or AZRBOB and the resulting quality or quantity of Arizona CBG is not altered in any other manner except for the addition of a deposit-control or similar additive registered under 40 CFR 79.

“Oxygenated Arizona CBG” means Arizona CBG with a maximum oxygen content of 4.0 wt. percent or another oxygen content approved by the associate director under A.R.S. § 3-3493, that is produced and shipped to or within Arizona and sold or offered for sale for use in motor vehicles in the CBG-covered area from November 1 through March 31 of each year.

“Performance standard” means the VOC and NOx emission reduction percentages in R3-7-751(A)(8) and Table 1.

“PM” or “Predictive Model Procedures” means the California Predictive Model and CARB’s “California Procedures for Evaluating Alternative Specifications for Phase 2 Reformulated Gasoline Using the California Predictive Model,” as adopted April 20, 1995, which is incorporated by reference in R3-7-702.

“PM alternative gasoline formulation” means a final blend of Arizona CBG or AZRBOB that is subject to a set of PM alternative specifications.

“PM alternative specifications” means the specifications for the following fuel properties, as determined using a testing methodology in R3-7-759:

Maximum vapor pressure, expressed in the nearest 100th of a pound per square inch;

Maximum sulfur content, expressed in the nearest part per million by weight;

Maximum olefin content, expressed in the nearest 10th of a percent by volume;

Minimum and maximum oxygen content, expressed in the nearest 10th of a percent by weight;

Maximum T50, expressed in the nearest degree Fahrenheit;

Maximum T90, expressed in the nearest degree Fahrenheit; and

Maximum aromatic hydrocarbon content, expressed in the nearest 10th of a percent by volume.

“PM averaging compliance option” means, with reference to a specific fuel property, the compliance option for PM alternative gasoline formulations by which final blends of Arizona CBG and AZRBOB are assigned designated alternative limits under R3-7-751(G), (H), and (I).

“PM averaging limit” means a PM alternative specification that is subject to the PM averaging compliance option.

“PM flat limit” means a PM alternative specification that is subject to the PM flat limit compliance option.

“PM flat limit compliance option” means, with reference to a specific fuel property, the compliance option that each gallon of gasoline must meet for that specified fuel property as contained in the PM alternative specifications.

“Produce” means:

Except as otherwise provided, to convert a liquid compound that is not Arizona CBG or AZRBOB into Arizona CBG or AZRBOB.

If a person blends a blendstock that is not Arizona CBG or AZRBOB with Arizona CBG or AZRBOB acquired from another person, and the resulting blend is Arizona CBG or AZRBOB, the person conducting the blending produces only the portion of the blend not previously Arizona CBG or AZRBOB. If a person blends Arizona CBG or AZRBOB with other Arizona CBG or AZRBOB in accordance with this Article, without the addition of a blendstock that is not Arizona CBG or AZRBOB, that person is not a producer of Arizona CBG or AZRBOB.

If a person supplies Arizona CBG or AZRBOB to a refiner that agrees in writing to further process the Arizona CBG or AZRBOB at the refiner’s refinery and be treated as the producer of Arizona CBG or AZRBOB, the refiner is the producer of the Arizona CBG or AZRBOB.

If an oxygenate blender blends oxygenates into AZRBOB supplied from a gasoline production or import facility, and does not alter the quality or quantity of the AZRBOB or the quality or quantity of the resulting Arizona CBG certified by a registered supplier in any other manner except for the addition of a deposit-control or similar additive, the producer or importer of the AZRBOB, rather than the oxygenate blender, is considered the producer or importer of the full volume of the resulting Arizona CBG.

“Registered supplier” means a producer or importer that supplies Arizona CBG or AZRBOB and is registered with the associate director under R3-7-750.

“Third-party terminal” means an owner or operator of a gasoline storage tank facility that accepts custody, but not ownership, of Arizona CBG or AZRBOB from a registered supplier, oxygenate blender, pipeline, or other third-party terminal and relinquishes custody of the Arizona CBG or AZRBOB to a transporter or other terminal.

“Type 1 Arizona CBG” means a gasoline that meets the standards contained in R3-7-751(A) and Table 1.

“Type 2 Arizona CBG” means a gasoline that meets the standards contained in Table 2 or is certified using the PM according to the requirements of R3-7-751(G), (H), and (I), and meets the requirements in:

R3-7-751(A) beginning April 1 through October 31 of each year, and

R3-7-751(B) beginning November 1 through March 31 of each year.

“Winter” means November 1 through March 31.

R3-7-750. Registration Relating to Arizona CBG or AZRBOB

**A.** Each of the following shall register with the associate director before producing, importing, or obtaining custody of Arizona CBG or AZRBOB:

1. A refiner that produces Arizona CBG or AZRBOB;

2. An importer that imports Arizona CBG or AZRBOB;

3. An oxygenate blender that blends oxygenate with AZRBOB to produce Arizona CBG; or

4. A pipeline or third-party terminal that has custody of Arizona CBG or AZRBOB.

**B.** A person listed in subsection (A) shall register on a form prescribed by the associate director and include the following information:

1. Business name, business address, and contact name or position title and telephone number;

2. For each refinery or oxygenate blending facility, the facility name, physical location, contact name or position title and telephone number, and type of facility;

3. For each refinery, oxygenate blending facility, or importer:

a. The location of the records required under this Article. If records are kept off-site, the primary off-site storage facility name, physical location, and contact name or position title and telephone number; and

b. If an independent laboratory is used to meet the requirements of R3-7-752(F), the name and address of the independent laboratory, and contact name or position title and telephone number;

4. If required under 40 CFR 80.76(d), the EPA registration number; and

5. A statement of consent permitting the Division or its authorized agent to collect samples and access records as provided in R3-7-716.

**C.** A person registered under subsection (B) shall notify the associate director within 10 days after the effective date of a change in any of the information provided under subsection (B).

**D.** If a refiner, importer, or oxygenate blender fails to register under this Section, all Arizona CBG or AZRBOB produced by the refiner or oxygenate blender or imported by the importer and transported to the CBG-covered area is presumed to be noncompliant from the date that registration should have occurred.

**E.** The Division shall maintain a list of all registered suppliers.

R3-7-751. Arizona CBG Requirements

**A.**  General fuel property and performance requirements. In addition to the other requirements of this Article and except as provided in subsection (B), all Arizona CBG shall meet the following requirements and for any fuel property not specified, shall meet the requirements in ASTM D4814. The dates in this subsection are compliance dates for the owner or operator of a motor fuel dispensing site or a fleet vehicle fueling facility.

1. Sulfur: 95 ppm by weight (max).

2. Aromatics: 50 percent by volume (max).

3. Olefins: 25 percent by volume (max).

4. E200: 70-30 percent volume.

5. E300: 100-70 percent volume.

6. Maximum vapor pressure:

a. October: 9.0 psi.

b. November 1 - March 31: 9.0 psi.

c. April: 10.0 psi.

d. May: 9.0 psi.

e. June 1 - September 30: 7.0 psi.

f. A gasoline ethanol blend in the CBG-covered area is subject to the 1 psi vapor pressure waiver, as described in R3-7-708(B), during April only.

7. Oxygen and oxygenates:

a. Minimum content:

i. November 1 - March 31: 10 percent fuel ethanol by volume or 2.7 percent by weight of oxygen for other oxygenates not prohibited under A.R.S. 3-3491(E). If A.R.S. § 3-3493(C) petition in effect: 2.7 percent oxygen by weight as approved by the associate director.

ii. April 1 - October 31: 0 percent by weight (any oxygenate).

b. The maximum oxygen content shall not exceed 4.0 percent by weight for fuel ethanol and as specified in A.R.S. § 3-3491 for other oxygenates, and shall comply with the requirements of A.R.S. § 3-3492.

c. Arizona CBG shall not contain more than 0.3 volume percent MTBE nor more than 0.1 weight percent oxygen from all other ethers or alcohols listed in A.R.S. § 3-3491.

8. Type 1 Arizona CBG shall meet the Federal Complex Model VOC emissions reduction percentage May 1 through September 15: 27.5 percent (Federal Complex Model settings: Summer, Area Class B, Phase 2). Type 2 Arizona CBG shall meet CARB Phase 2 requirements.

9. The use of oxygenates other than ethanol under subsection (A)(7)(a)(i) is prohibited until Arizona’s revised State Implementation Plan is approved by EPA.

**B.** Wintertime requirements. In addition to the other requirements of this Article, the owner or operator of a motor fuel dispensing site or a fleet vehicle fueling facility shall ensure that beginning November 1 through March 31 of each year, all Arizona CBG meets the following fuel property requirements.

1. Sulfur: 80 ppm by weight (max),

2. Aromatics: 30% by volume (max),

3. Olefins: 10% by volume (max),

4. 90% Distillation Temp. (T90): 330° F (max),

5. 50% Distillation Temp. (T50): 220° F (max),

6. Vapor Pressure: 9.0 psi (max), and

7. Oxygenate ~~- Ethanol~~;

a. Minimum oxygenate content - 10 percent fuel ethanol by volume or 2.7 percent by weight of oxygen for other oxygenates not prohibited under A.R.S. 3-3491(E);

b. Maximum oxygen content - 4.0 percent oxygen by weight, and shall comply with the requirements of A.R.S. § 3-3492; and

c. Alternative minimum fuel ethanol content may be used if approved by the associate director under A.R.S. § 3-3493(C).

8. The use of oxygenates other than ethanol under subsection (B)(7)(a) is prohibited until Arizona’s revised State Implementation Plan is approved by EPA.

**C.** Fuel ethanol specifications. A person that uses fuel ethanol as a blending component with AZRBOB or Arizona CBG shall ensure that the fuel ethanol meets the requirements in ASTM D4806 and the following:

1. A sulfur content not exceeding 10 ppm by weight,

2. An olefins content not exceeding 0.5 percent by volume, and

3. An aromatic hydrocarbon content not exceeding 1.7 percent by volume.

**D.** General elections. Except as provided in subsection (E), a registered supplier shall make an initial election, and a subsequent election each time a change occurs, before beginning to transport Arizona CBG or AZRBOB. A registered supplier shall make the election with the associate director on a form or in a format prescribed by the associate director. The election shall state:

1. Whether the registered supplier (at each point where the Arizona CBG or AZRBOB is certified) will supply Arizona CBG or AZRBOB that complies with Type 1 Arizona CBG, Type 2 Arizona CBG, or the PM alternative gasoline formulation requirements and, if the registered supplier will supply Arizona CBG or AZRBOB that complies with the PM alternative gasoline formulation requirements, whether the registered supplier will certify using the CARB Phase 2 model; and

2. For each applicable fuel property or performance standard in the election under subsection (D)(1), whether the Arizona CBG or AZRBOB will comply with the average standards or per-gallon standards. A registered supplier shall not elect to comply with average standards unless the registered supplier is in compliance with R3-7-760. A registered supplier shall not elect to comply with Type 1 Arizona CBG average standards in Table 1, columns B and C, from September 16 through October 31 and February 1 through April 30.

**E.** Winter elections. Beginning November 1 through March 31 of each year, a registered supplier shall ensure that all Arizona CBG or AZRBOB complies with Type 2 Arizona CBG requirements or the PM alternative gasoline formulation requirements under Table 2. A registered supplier shall make an initial election, and a subsequent election each time a change occurs, before beginning to transport Arizona CBG or AZRBOB. A registered supplier shall make the election with the associate director on a form or in a format prescribed by the associate director. The election shall state:

1. Whether the registered supplier (at each point where the Arizona CBG or AZRBOB is certified) will supply Arizona CBG or AZRBOB that complies with the Type 2 Arizona CBG or the PM alternative gasoline formulation requirements; and

2. For each applicable fuel property, whether the Arizona CBG or AZRBOB will comply with the average standards or per-gallon standards.

**F.** A registered supplier may elect and produce Type 1 Arizona CBG from December 1 through March 31 but the registered supplier shall not distribute the Arizona CBG to a motor fuel dispensing site within the CBG-covered area before April 1.

**G.** Certification as Type 1 Arizona CBG or Type 2 Arizona CBG. A registered supplier shall certify Arizona CBG or AZRBOB under R3-7-752 as meeting all requirements of the election made in subsection (D) or (E). For each fuel property, Type 1 Arizona CBG shall comply with the requirements in either column A or columns B through D of Table 1, and shall be certified using the Federal Complex Model, which is incorporated by reference in R3-7-702. For each fuel property, Type 2 Arizona CBG shall comply with the requirements of columns A and B (averaging option), or column C in Table 2. The PM alternative gasoline formulation shall meet the requirements of subsections (H), (I), and (J), and column A of Table 2. A registered supplier may certify Arizona CBG or AZRBOB using an equivalent test method that the Division approves using the criteria stated in R3-7-759.

**H.** Certification and use of Predictive Model for alternative PM gasoline formulations.

1. Except as provided in subsections (H)(4) and (J), a registered supplier shall use the PM as provided in the Predictive Model Procedures.

2. A registered supplier shall certify a PM alternative gasoline formulation with the associate director by either:

a. Submitting to the associate director a complete copy of the documentation provided to the executive officer of CARB according to 13 California Code of Regulations, Section 2264 and subsection (J); or

b. Notifying the associate director, on a form prescribed by or in a format acceptable to the associate director, of:

i. The PM alternative specifications that apply to the final blend, including for each specification whether it is a PM flat limit or a PM averaging limit; and

ii. The numerical values for percent change in emissions for oxides of nitrogen and hydrocarbons determined in accordance with the Predictive Model Procedures.

3. A registered supplier shall deliver the certification required under subsection (H)(2) to the associate director before transporting the PM alternative gasoline formulation.

4. Restrictions for elections to sell or supply final blends as PM alternative gasoline formulations.

a. A registered supplier shall not make a new election to sell or supply from its production or import facility a final blend of Arizona CBG as a PM alternative gasoline formulation if the registered supplier has an outstanding requirement under subsection (K) to provide offsets for fuel properties at the same production or import facility.

b. If a registered supplier elects to sell or supply from its production or import facility a final blend of Arizona CBG as a PM alternative gasoline formulation subject to a PM averaging compliance option for one or more fuel properties, the registered supplier shall not elect any other compliance option, including another PM alternative gasoline formulation, if an outstanding requirement to provide offsets for fuel properties exists under the provisions of subsection (K). This subsection does not preclude a registered supplier from electing another PM alternative gasoline formulation if:

i. The PM flat limit for one or more fuel properties is changed to a PM averaging limit, or a single PM averaging limit for which there is no outstanding requirement to provide offsets is changed to a PM flat limit;

ii. There are no changes to the PM alternative specifications for remaining fuel properties; and

iii. The new PM alternative formulation meets the criteria in the Predictive Model Procedures.

c. If a registered supplier elects to sell or supply from the registered supplier’s production or import facility a final blend of Arizona CBG as a PM alternative gasoline formulation, the registered supplier shall not use a previously assigned designated alternative limit for a fuel property to provide offsets under subsection (K).

d. If a registered supplier notifies the associate director under subsection (D) or (E) that a final blend of Arizona CBG is sold or supplied from a production or import facility as a PM alternative gasoline formulation, all final blends of Arizona CBG or AZRBOB subsequently sold or supplied from that production or import facility are subject to the same PM alternative specifications until the registered supplier either:

i. Designates a final blend at that facility as a PM alternative gasoline formulation subject to different PM alternative specifications; or

ii. Elects, under subsection (D) or (E), a final blend at that facility subject to a flat limit compliance option or an averaging compliance option.

**I.** Prohibited activities regarding PM alternative gasoline formulations.

A registered supplier shall not sell, offer for sale, supply, or offer to supply from the registered supplier’s production or import facility Arizona CBG that is reported as a PM alternative gasoline formulation under R3-7-752 if any of the following occur:

1. The elected PM alternative specifications do not meet the criteria for approval in the Predictive Model Procedures,

2. The registered supplier is prohibited by subsection (H)(4)(a) from electing to sell or supply the gasoline as a PM alternative gasoline formulation,

3. The gasoline fails to conform with any PM flat limit in the PM alternative specifications election, or

4. With respect to any fuel property for which the registered supplier elects a PM averaging limit:

a. The gasoline exceeds the applicable PM average limit in Table 2, column B, and no designated alternative limit for the fuel property is established for the gasoline in accordance with subsection (H)(2); or

b. A designated alternative limit for the fuel property is established for the gasoline in accordance with subsection (H)(2), and either the gasoline exceeds the designated alternative limit for the fuel property or the designated alternative limit for the fuel property exceeds the PM averaging limit and the exceedance is not fully offset in accordance with subsection (K).

**J.** Oxygen content requirements for PM alternative gasoline formulations. A registered supplier shall ensure that from November 1 through March 31, all alternative PM gasoline formulations comply with oxygen content requirements for the CBG-covered area. Regardless of the oxygen content, a registered supplier shall certify the final alternative PM gasoline formulation using the PM with a minimum oxygen content of 2.0 percent by weight. A registered supplier may use the CARBOB Model as a substitute for the preparation of a fuel ethanol hand blend and use the fuel qualities calculated under the CARBOB Model for compliance and reporting purposes.

**K.** Offsetting fuel properties and performance standards. A registered supplier that elects to comply with the averaging standards for any of the fuel properties or performance standards contained in Tables 1 and 2, or the PM, shall, from a single production or import facility, complete physical transfer of certified Arizona CBG or AZRBOB in sufficient quantity to offset the amount by which the Arizona CBG or AZRBOB exceeds the averaging standard according to the following schedule:

1. A registered supplier that elects to comply with the averaging standards contained in Table 2 or the PM shall offset each exceeded average standard within 90 days before or after beginning to transport any final blend of Arizona CBG or AZRBOB from the production or import facility;

2. A registered supplier that elects to comply with the averaging standard for the VOC Emission Reduction Percentage in Table 1, column B, shall offset an exceedance of the standard that occurs from May 1 through September 15 during that same period; and

3. A registered supplier that elects to comply with the averaging standard for the NOx Emission Reduction Percentage contained in Table 1, column B, shall offset an exceedance of the standard that occurs from May 1 through September 15 during that same period.

**L.** Consequence of failure to comply with averages.

1. In addition to a penalty under R3-7-762, if any, a registered supplier that fails to comply with a requirement of subsection (K) shall meet the applicable per-gallon standards contained in Table 1, Table 2, or an alternative PM gasoline formulation, for a probationary period as follows:

a. For a registered supplier that elects to comply with the standards contained in Table 1, the probationary period begins on the first day of the next averaging season and ends on the last day of that averaging season if the conditions of subsection (L)(2) are met;

b. For a registered supplier that elects to comply with the standards contained in Table 2 or the PM, the probationary period begins no later than 90 days after the registered supplier determines, or receives a notice from the associate director, that the registered supplier did not comply with the requirements of subsection (K). Before the probationary period begins, the registered supplier shall notify the associate director in writing of the beginning date of the probationary period. The probationary period ends 90 days after its beginning date.

2. A registered supplier shall not produce or import Arizona CBG or AZRBOB under an averaging compliance election until:

a. The registered supplier submits a compliance plan to the associate director that includes:

i. An implementation schedule for actions to correct noncompliance, and

ii. Reporting requirements that document implementation of the compliance plan,

b. The associate director approves the plan,

c. The registered supplier implements the plan, and

d. The registered supplier achieves compliance.

3. If a registered supplier fails to comply with the requirements of subsection (K) within one year of the end of a probationary period under subsection (L)(1), the registered supplier shall comply with applicable per-gallon standards for a subsequent probationary period of two years, or until the conditions in subsection (L)(2) are satisfied, whichever is later.

a. If a registered supplier elects to comply with the Table 1 standards, the probationary period begins on the first day of the next averaging season.

b. If a registered supplier elects to comply with the Table 2 standards or the PM, the probationary period begins no later than 90 days after the registered supplier determines, or receives notice from the associate director, that the registered supplier did not comply with the requirements of subsection (K). Before the probationary period begins, the registered supplier shall notify the associate director in writing of the beginning date of the probationary period.

4. If a registered supplier fails to comply with the requirements of subsection (K) within one year after the end of a probationary period provided under subsection (L)(3), the registered supplier shall permanently comply with applicable per-gallon standards.

**M.** Effect of VOC survey failure. Each time a VOC survey conducted under R3-7-760 shows excess VOC emissions in the CBG-covered area, the VOC emissions performance reduction in R3-7-751(A)(8) and the minimum per-gallon VOC emission reduction percentage in Table 1, column C shall be increased by an absolute 1.0 percent, not to exceed the VOC percent emissions reduction percentage per-gallon standard in Table 1, column A.

**N.** Effect of NOx survey failure. Each time a NOx survey conducted under R3-7-760 shows excess NOx emissions in the CBG-covered area, the NOx average emission reduction percentage applicable to the period of May 1 through September 15 in Table 1, column B shall be increased by an absolute 1.0 percent.

**O.** Subsequent survey compliance. If the minimum VOC or average NOx emissions reduction percentage has been made more stringent according to subsection (M) or (N) and all emissions reduction surveys for VOC or NOx for two consecutive years show emissions within the applicable adjusted reduction percentage in the CBG-covered area, the applicable VOC or NOx emissions adjusted reduction percentage shall be reduced by an absolute 1.0 percent beginning in the year following the year in which the second compliant survey is conducted. Each emissions reduction percentage adjusted under this subsection shall not be decreased below the following:

1. >27 percent for the VOC emissions reduction percentage, May 1 ~~-~~ through September 15, Table 1, column C; and

2. >6.8 percent for the NOx emissions reduction percentage, May 1 ~~-~~ through September 15, Table 1, column B.

**P.** Subsequent survey failures. If a VOC or NOx emissions reduction percentage is made less stringent under subsection (O) and a subsequent VOC or NOx survey shows excess VOC or NOx emissions in the CBG-covered area:

1. For a VOC survey failure, the Federal Complex Model VOC emissions reduction percentage in R3-7-751(A)(8) and the minimum per gallon VOC emission reduction percentage in Table 1, column C shall be increased by an absolute 1.0 percent, not to exceed the VOC percent emissions reduction percentage per gallon standard in Table 1, column A;

2. For a NOx survey failure, the NOx average emission reduction percentage applicable May 1 through September 15 in Table 1, column B shall be increased by an absolute 1.0 percent; and

3. If the VOC or NOx emission reduction percentage is increased under subsection (P)(1) or (2), the VOC or NOx emission reduction percentage shall not be made less stringent regardless of the result of subsequent surveys for VOC or NOx emissions.

**Q.** Effective date for adjusted standards. If a performance standard is adjusted by operation of subsection (M), (N), (O), or (P), the effective date for the change is the beginning of the next averaging season for which the standard is applicable.

R3-7-752. General Requirements for Registered Suppliers

**A.** A registered supplier shall certify that each batch of Arizona CBG or AZRBOB transported for sale or use in the CBG-covered area meets the standards in this Article.

**B.** A registered supplier shall make the certification on a form or in a format prescribed by the associate director. The registered supplier shall include in the certification information on shipment volumes, fuel properties as determined under R3-7-759, and performance standards for each batch of Arizona CBG or AZRBOB. The registered supplier shall submit the certification to the associate director on or before the 15th day of each month for each batch of Arizona CBG or AZRBOB transported during the previous month.

**C.** Recordkeeping and records retention.

1. A registered supplier that samples and analyzes a final blend or shipment of Arizona CBG or AZRBOB under this Section shall maintain, for five years from the date of each sampling, records of the following:

a. Sample date;

b. Identity of blend or product sampled;

c. Container or other vessel sampled;

d. The final blend or shipment volume; and

e. The test results for sulfur, aromatic hydrocarbon, olefin, oxygen, vapor pressure, and as applicable, T50, T90, E200, and E300 as determined under R3-7-759.

2. If Arizona CBG or AZRBOB produced or imported by a registered supplier is not tested and documented as required by this Section, the associate director shall deem the Arizona CBG or AZRBOB to have a vapor pressure, sulfur, aromatic hydrocarbon, olefin, oxygen, T50, and T90 that exceeds the standards specified in R3-7-751 or the comparable PM averaging limits, unless the registered supplier demonstrates to the associate director that the Arizona CBG or AZRBOB meets all applicable fuel property limits and performance standards.

3. A registered supplier shall provide to the associate director any records maintained by the registered supplier under this Section within 20 days of a written request from the associate director. If a registered supplier fails to provide records for a blend or shipment of Arizona CBG or AZRBOB, the associate director shall deem the final blend or shipment of Arizona CBG or AZRBOB in violation of R3-7-751, unless the registered supplier demonstrates to the associate director that the Arizona CBG or AZRBOB meets all applicable fuel property limits and performance standards.

**D.** Notification requirement. A registered supplier shall notify the associate director by fax or e-mail before transporting Arizona CBG or AZRBOB into the CBG-covered area by a means other than a pipeline.

**E.** Quality Assurance and Quality Control (QA/QC) Program. A registered supplier shall develop a QA/QC program to demonstrate the accuracy and effectiveness of the registered supplier’s laboratory testing of Arizona CBG or AZRBOB. The registered supplier shall submit the QA/QC program to the associate director for approval at least three months before the registered supplier transports Arizona CBG or AZRBOB. The associate director shall approve a QA/QC program only if the associate director determines that the QA/QC program ensures that the registered supplier’s laboratory testing procedures comply with R3-7-759 and the data generated by the registered supplier’s laboratory are complete, accurate, and reproducible. If the registered supplier makes significant changes to the QA/QC program, the registered supplier shall resubmit the QA/QC program to the associate director for review and approval. Within 30 days of receiving the changed QA/QC program, the associate director shall determine whether the changed QA/QC program meets the original quality objectives. The associate director shall approve the changed QA/QC program if it meets the quality objectives. Instead of developing a QA/QC program, a registered supplier may comply with the independent testing requirements of subsection (F).

**F.** Independent testing.

1. A registered supplier of Arizona CBG or AZRBOB that does not develop a QA/QC program shall conduct a program of independent sample collection and analysis for the Arizona CBG or AZRBOB produced or imported, that complies with one of the following:

a. Option 1. A registered supplier shall, for each batch of Arizona CBG or AZRBOB produced or imported, have an independent laboratory collect and analyze a representative sample from the batch using the methodology specified in R3-7-759 for compliance with each fuel property and performance standard for which the Arizona CBG or AZRBOB is certified.

b. Option 2. A registered supplier shall have an independent testing program for all Arizona CBG or AZRBOB that the registered supplier produces or imports that consists of the following:

i. An independent laboratory shall collect a representative sample from each batch;

ii. The associate director or designee shall identify up to 10% of the samples collected under subsection (F)(1)(b)(i) for analysis; and

iii. The independent laboratory shall, for each sample identified by the associate director or designee, analyze the sample using the methodology specified in R3-7-759 for compliance with each fuel property and performance standard for which the Arizona CBG or AZRBOB is certified.

2. The associate director or designee may request in writing a duplicate of the batch sample collected under subsection (F)(1)(a) or (b) for analysis by a laboratory selected by the associate director or designee. The registered supplier shall submit a duplicate of the sample to the associate director within 24 hours of the written request.

3. Designation of independent laboratory.

a. A registered supplier that does not develop a QA/QC program shall designate one independent laboratory for each production or import facility at which the registered supplier produces or imports Arizona CBG or AZRBOB. The independent laboratory shall collect samples and perform analyses according to subsection (F).

b. A registered supplier shall identify the designated independent laboratory to the associate director under the registration requirements of R3-7-750.

c. A laboratory is considered independent if:

i. The laboratory is not operated by a registered supplier or the registered supplier’s subsidiary or employee,

ii. The laboratory does not have any interest in any registered supplier, and

iii. The registered supplier does not have any interest in the designated laboratory.

d. Notwithstanding the restrictions in subsection (F)(3)(c), the associate director shall consider a laboratory independent if it is owned or operated by a pipeline owned or operated by four or more registered suppliers.

e. A registered supplier shall not use a laboratory that is debarred, suspended, or proposed for debarment according to the Government-wide Debarment and Suspension regulations, 40 CFR 32, or the Debarment, Suspension and Ineligibility provisions of the Federal Acquisition Regulations, 48 CFR 9.4.

4. A registered supplier shall ensure that its designated independent laboratory:

a. Records the following at the time the designated independent laboratory collects a representative sample from a batch of Arizona CBG or AZRBOB:

i. The producer’s or importer’s assigned batch number for the batch sampled;

ii. The volume of the batch;

iii. The identification number of the gasoline storage tank in which the batch is stored at the time the sample is collected;

iv. The date and time the batch became Arizona CBG or AZRBOB;

v. The date and time the sample is collected;

vi. The grade of the batch (for example, unleaded premium, unleaded mid-grade, or unleaded); and

vii. For Arizona CBG or AZRBOB produced by computer-controlled in-line blending, the date and time the blending process began and the date and time the blending process ended, unless exempt under subsection (G);

b. Retains each sample collected under this subsection for at least 45 days, unless this time is extended by the associate director for up to 180 days;

c. Submits to the associate director a quarterly report on or before the 15th day of January, April, July, and October of each year that includes, for each sample of Arizona CBG or AZRBOB analyzed under subsection (F):

i. The results of the independent laboratory’s analyses for each fuel property, and

ii. The information specified in subsection (F)(4)(a) for each sample; and

d. Supplies to the associate director, upon request, a duplicate of the sample.

**G.** Exemptions to QA/QC and independent laboratory testing requirements. A registered supplier that produces or imports Arizona CBG or AZRBOB using computer-controlled in-line blending equipment and operates under an exemption from EPA under 40 CFR 80.65(f)(iv), is exempt from the requirements of subsections (E) and (F), if reports of the results of the independent audit program of the registered supplier’s computer-controlled in-line blending operation, which are submitted to EPA under 40 CFR 80.65(f)(iv), are submitted to the associate director by March 1 of each year.

**H.** Use of laboratory analysis for certification of Arizona CBG and AZRBOB.

1. If both a registered supplier and an independent laboratory collect a sample from the same batch of Arizona CBG or AZRBOB and perform a laboratory analysis under subsection (F) to determine compliance of the sample with a fuel property, the registered supplier and independent laboratory shall use the same test methodology. The results of the analysis conducted by the registered supplier shall be used for certification of the Arizona CBG or AZRBOB under subsection (B), unless the absolute value of the difference between the two results is larger than one of the following:

a. Sulfur content: 25 ppm by weight,

b. Aromatics: 2.7% by volume,

c. Olefins: 2.5% by volume,

d. Fuel ethanol: 0.4% by volume

e. Isobutanol: 0.6% by volume

~~e.~~ f. Vapor pressure: 0.3 psi,

~~f.~~ g. 50% distillation temperature: ASTM reproducibility for that sample using the slope from the registered supplier’s results,

~~g.~~ h. 90% distillation temperature: ASTM reproducibility for that sample using the slope from the registered supplier’s results,

~~h.~~ i. E200: 2.5% by volume,

~~i.~~ j. E300: 3.5% by volume, or

~~j.~~ k. API gravity: 0.3° API.

2. If the absolute value of the difference between the results of the analyses conducted by the registered supplier and independent laboratory is larger than one of the values specified in subsection (H)(1), the registered supplier shall use one of the following for certification of the batch of Arizona CBG or AZRBOB under subsection (B):

a. The larger of the two values for each fuel property, except the smaller of the two values shall be used for measures of oxygenates; or

b. Have a second independent laboratory analyze the Arizona CBG or AZRBOB for each fuel property. If the difference between the results obtained by the second independent laboratory and those obtained by the registered supplier are within the range listed in subsection (H)(1), the registered supplier’s results shall be used for certifying the Arizona CBG or AZRBOB under subsection (B).

R3-7-753. General Requirements for Pipelines and Third-party Terminals

**A.** A pipeline or third-party terminal shall not accept Arizona CBG or AZRBOB for transport unless:

1. The Arizona CBG or AZRBOB is physically transferred from an importer, refiner, oxygenate blender, pipeline, or third-party terminal registered with the Division under R3-7-750; and

2. The registered supplier provides written verification that the gasoline is Arizona CBG or AZRBOB and complies with the standards in R3-7-751(A) or (B), as applicable, without reproducibility or numerical rounding.

**B.** A pipeline or third-party terminal that transports Arizona CBG or AZRBOB shall collect a sample of each incoming batch. The pipeline or third-party terminal shall retain the sample for at least 30 days unless this time is extended for an individual sample for up to 180 days by the associate director.

**C.** A pipeline shall conduct quality control testing of Arizona CBG or AZRBOB at a frequency of at least one sample from one batch completing shipment for each registered supplier each day at each input location.

**D.** A pipeline shall provide the associate director with a report summarizing the quality control testing results obtained under subsection (C) within 10 days of the end of each month. The report shall contain the quantity of Arizona CBG or AZRBOB, date tendered, whether the Arizona CBG or AZRBOB was transported by pipeline, present sample location, and laboratory analysis results.

**E.** If a batch does not meet the standards in R3-7-751(A) or (B), as applicable, but is within reproducibility, the pipeline shall notify the associate director by fax or e-mail within 48 hours of the batch volume and date tendered, proposed shipment date, whether the batch was transported by the pipeline, present batch location, and laboratory analysis results.

**F.** If a batch does not meet the standards in R3-7-751(A) or (B), as applicable, including reproducibility, the pipeline or third-party terminal shall notify the associate director by fax or e-mail within 24 hours of the batch quantity and date tendered, proposed shipment date, whether the batch was transported by the pipeline, present batch location, and laboratory analysis results. If the batch is in the pipeline’s or third-party terminal’s control, the pipeline or third-party terminal shall prevent release of the batch from a distribution point until the batch is certified as meeting the standards in R3-7-751(A) or (B), as applicable.

**G.** A pipeline or third-party terminal shall develop a QA/QC program to demonstrate the accuracy and effectiveness of the pipeline’s or third-party terminal’s laboratory testing. The QA/QC program for a pipeline or third-party terminal shall include a description of the laboratory testing protocol used to verify that Arizona CBG or AZRBOB transported to the CBG-covered area meets the standards in R3-7-751(A) or (B). A pipeline or third-party terminal shall submit the QA/QC program to the associate director for approval at least three months before the pipeline or third-party terminal begins to transport Arizona CBG or AZRBOB. The associate director shall approve a QA/QC program only if the associate director determines that the QA/QC program ensures that the pipeline’s or third-party terminal’s laboratory testing produces data that are complete, accurate, and reproducible. If a pipeline or third-party terminal makes significant changes to the QA/QC program, the pipeline or third-party terminal shall resubmit the QA/QC program to the associate director for review and approval. Within 30 days of receiving the changed QA/QC program, the associate director shall determine whether the changed QA/QC program meets the quality objectives originally approved by the Division. The associate director shall approve the changed QA/QC program if it meets the quality objectives.

**H.** A portion of a facility that a third-party terminal uses for production, import, or oxygenate blending is exempt from this Section, but the third-party terminal shall operate the exempt portion of the facility in compliance with requirements for registered suppliers in R3-7-752 and oxygenate blenders in R3-7-755, as applicable.

**I.** A pipeline is not liable under R3-7-761 if it follows all of the procedures in this Section.

R3-7-754. Downstream Blending Exceptions for Transmix

**A.** A pipeline or third-party terminal may blend transmix into Arizona CBG or AZRBOB at a rate not to exceed 1/4 of one percent by volume. Each pipeline or third-party terminal shall document the transmix blending (recording each batch and volume of transmix blended) and maintain the records at the third-party terminal for two years from the date of blending.

**B.** One of two methods shall be used to measure the transmix as it is blended into the product stream:

1. Meters, calibrated at least twice each year; or

2. Tank gauge as per American Petroleum Institute (API) Manual of Petroleum Measurement Standards, Chapters 3.1A (1st edition, December 1994) and 3.1B (1st edition, April 1992), incorporated by reference and on file with the Division. A copy may also be obtained at American Petroleum Institute, 1220 L St., N.W., Washington, D.C. 20005-4070. This incorporation by reference contains no future editions or amendments.

R3-7-755. Additional Requirements for AZRBOB and Downstream Oxygenate Blending

**A.** Application of Arizona CBG standards to AZRBOB.

1. Determining whether AZRBOB complies with Arizona CBG standards.

a. If a registered supplier designates a final blend as AZRBOB and complies with the provisions of this Section, the fuel properties and performance standards of the AZRBOB, for purposes of compliance with Table 2, are determined by adding the specified type and amount of ~~fuel ethanol~~ oxygenate to a representative sample of the AZRBOB and determining the fuel properties and performance standards of ~~testing~~ the resulting gasoline using the test methods in R3-7-759 or certifying the AZRBOB using the CARBOB model. If the registered supplier designates a range of amounts of ~~fuel ethanol~~ oxygenate to be added to the AZRBOB, the minimum designated amount of ~~fuel ethanol~~ oxygenate shall be added to the AZRBOB to determine the fuel properties and performance standards of the resulting Arizona CBG. If a registered supplier does not comply with this subsection, the Division shall determine whether the AZRBOB complies with applicable fuel properties and performance standards, excluding requirements for vapor pressure, without adding ~~fuel ethanol~~ oxygenate to the AZRBOB.

b. In determining whether AZRBOB complies with the Arizona CBG standards, the registered supplier shall ensure that the ~~fuel ethanol~~ oxygenate added to the representative sample under subsection (A)(1)(a) is representative of the ~~fuel ethanol~~ oxygenate the registered supplier reasonably expects will be subsequently added to the AZRBOB.

2. Calculating the volume of AZRBOB. If a registered supplier designates a final blend as AZRBOB and complies with this Section, the volume of AZRBOB is calculated for compliance purposes under R3-7-751 by adding the minimum amount of ~~fuel ethanol~~ oxygenate designated by the registered supplier. If a registered supplier fails to comply with this subsection, the Division shall calculate the volume of AZRBOB for purposes of compliance with applicable fuel properties and performance standards without adding the amount of ~~fuel ethanol~~ oxygenate to the AZRBOB.

**B.** Restrictions on transferring AZRBOB.

1. A person shall not transfer ownership or custody of AZRBOB to any other person unless the transferee notifies the transferor in writing that:

a. The transferee is a registered oxygenate blender and will add ~~fuel ethanol~~ oxygenate in the type and amount (or within the range of amounts) designated in R3-7-757 before the AZRBOB is transferred from a final distribution facility, or

b. The transferee will take all reasonably prudent steps necessary to ensure that the AZRBOB is transferred to a registered oxygenate blender that adds the type and amount (or within the range of amounts) of ~~fuel ethanol~~ oxygenate designated in R3-7-757 to the AZRBOB before the AZRBOB is transferred from a final distribution facility.

2. A person shall not sell or supply Arizona CBG from a final distribution facility if the type and amount or range of amounts of ~~fuel ethanol~~ oxygenate designated in R3-7-757 ~~has~~ have not been added to the AZRBOB.

**C.** Restrictions on blending AZRBOB with other products. A person shall not combine AZRBOB supplied from the facility at which the AZRBOB is produced or imported with any other AZRBOB, gasoline, blendstock, or oxygenate, except for:

1. ~~Fuel ethanol~~ Oxygenate in the type and amount (or within the range of amounts) specified by the registered supplier at the time the AZRBOB is supplied from the production or import facility, or

2. Other AZRBOB for which the same ~~fuel ethanol~~ oxygenate type and amount (or range of amounts) is specified by the registered supplier at the time the AZRBOB is supplied from the production or import facility.

**D.** Quality assurance sampling and testing requirements for a registered supplier supplying AZRBOB from a production or import facility. A registered supplier supplying AZRBOB from a production or import facility shall use an independent third-party quality assurance sampling and testing program as described in subsection (E) or conduct a quality assurance sampling and testing program that meets the requirements of 40 CFR 80.69(a)(7), as it existed on July 1, 1996, except for the changes listed in subsections (D)(1) through (3). 40 CFR 80.69(a)(7), July 1, 1996, is incorporated by reference and on file with the Division. A copy may be obtained at the Government Publishing Office, P.O. Box 979050, St. Louis, MO 63197-9000 or bookstore.gpo.gov. The material incorporated includes no future editions or amendments.

1. 40 CFR 80.69(a)(7). The word “RBOB” is changed to read “AZRBOB”;

2. 40 CFR 80.69(a)(7). “...using the methodology specified in § 80.46...” is changed to read “...using the methodology specified in R3-7-759...;” and

3. 40 CFR 80.69(a)(7)(ii). “(within the correlation ranges specified in § 80.65(e)(2)(i))” is changed to read “(within the ranges of the applicable test methods).

**E.** General requirements for an independent third-party quality assurance sampling and testing program. A registered supplier may contract with an independent third party that conducts a quality assurance sampling and testing program for one or more registered suppliers. The registered supplier shall ensure that the quality assurance sampling and testing program:

1. Is designed and conducted by a third party that is independent of the registered supplier. To be considered independent:

a. The third party shall not be an employee of a registered supplier,

b. The third party shall not have an obligation to or interest in any registered supplier, and

c. The registered supplier shall not have an obligation to or interest in the third party;

2. Is conducted from November 1 through March 31 on all samples collected under the program design previously approved by the associate director under subsection (G);

3. Involves sampling and testing that is representative of all Arizona CBG dispensed in the CBG-covered area;

4. Analyzes each sample for oxygenate according to the methodologies specified in R3-7-759;

5. Bases results on an analysis of each sample collected during the sampling period unless a specific sample does not comply with the applicable per gallon maximum or minimum standards for the fuel property being evaluated in addition to any reproducibility applicable to the fuel property;

6. Participates in a correlation program with the associate director to ensure the validity of analysis results;

7. Does not provide advance notice, except as provided in subsection (F), of the date or location of any sampling;

8. Provides a duplicate of any sample, with information regarding where and the date on which the sample was collected, upon request of the associate director, within 30 days after submitting the report required under subsection (E)(10);

9. Permits a Division official to monitor sample collection, transportation, storage, and analysis at any time; and

10. Prepares and submits a report to the associate director within 30 days after the sampling is completed that includes the following information:

a. Name of the person collecting the samples;

b. Attestation by an officer of the third party that the sampling and testing was done according to the program plan approved by the associate director under subsection (G) and the results are accurate;

c. Identification of the registered supplier for whom the sampling and testing program was conducted if the sampling and testing program was conducted for only one registered supplier;

d. Identification of the area from which the samples were collected;

e. Address of each motor fuel dispensing site from which a sample was collected;

f. Dates on which the samples were collected;

g. Results of the analysis of the samples for oxygenate type and oxygen weight percent, aromatic hydrocarbon, and olefin content, E200, E300, and vapor pressure, and the calculated VOC or NOx emissions reduction percentage, as applicable;

h. Name and address of each laboratory at which the samples were analyzed;

i. Description of the method used to select the motor fuel dispensing sites from which a sample was collected;

j. Number of samples collected at each motor fuel dispensing site; and

k. Justification for excluding a collected sample if one was excluded.

**F.** An independent third party that contracts with one or more registered suppliers to conduct a quality assurance sampling and testing program shall begin the sampling on the date selected by the associate director. The associate director shall inform the third party of the date selected at least 10 business days before sampling is to begin.

**G.** To obtain the associate director’s approval of an independent third-party quality assurance sampling and testing program plan, the person seeking the approval shall:

1. Submit the plan to the associate director no later than January 1 to cover the sampling and testing period from November 1 through March 31 of each year, and

2. Have the plan signed by an officer of the third party that will conduct the sampling and testing program.

**H.** No later than September 1 of each year, a registered supplier that intends to meet the requirements in subsection (D) by contracting with an independent third party to conduct quality assurance sampling and testing from November 1 through March 31 shall enter into the contract and pay all of the money necessary to conduct the sampling and testing program. The registered supplier may pay the money necessary to conduct the sampling and testing program to the third party or to an escrow account with instructions to the escrow agent to release the money to the third party as the testing program is implemented. No later than September 15, the registered supplier shall submit to the associate director a copy of the contract with the third party, proof that the money necessary to conduct the sampling and testing program has been paid, and, if applicable, a copy of the escrow agreement.

**I.** Requirements for oxygenate blenders.

1. Requirement to add ~~fuel ethanol~~ oxygenate to AZRBOB. If an oxygenate blender receives AZRBOB from a transferor to whom the oxygenate blender represents that ~~fuel ethanol~~ oxygenate will be added to the AZRBOB, the oxygenate blender shall add ~~fuel ethanol~~ oxygenate to the AZRBOB in the type and amount (or within the range of amounts) identified in the documentation accompanying the AZRBOB.

2. Additional requirements for oxygenate blending at terminals. An oxygenate blender that makes Arizona CBG by blending ~~fuel ethanol~~ oxygenate with AZRBOB in a motor fuel storage tank, other than a truck used to deliver motor fuel to a retail outlet or bulk-purchaser consumer facility, shall determine the oxygen content and volume of the Arizona CBG before shipping, by collecting and analyzing a representative sample of the Arizona CBG, using the methodology in R3-7-759.

3. Additional requirements for oxygenate blending in trucks. An oxygenate blender that blends AZRBOB in a motor fuel delivery truck shall conduct quality assurance sampling and testing that meets the requirements in 40 CFR 80.69(e)(2), as it existed on July 1, 1996, except for the changes listed in subsections (I)(3)(a) through (c). 40 CFR 80.69(e)(2), July 1, 1996, is incorporated by reference and on file with the Division. A copy may be obtained at the Government Publishing Office, P.O. Box 979050, St. Louis, MO 63197-9000 or bookstore.gpo.gov. The material incorporated includes no future editions or amendments.

a. 40 CFR 80.69(e)(2). The word “RBOB” is changed to read “AZRBOB;”

b. 40 CFR 80.69(e)(2)(iv). “... using the testing methodology specified at § 80.46 ...” is changed to read “... using the testing methodology specified in R3-7-759...;” and

c. 40 CFR 80.69(e)(2)(v). “(within the ranges specified in § 80.70(b)(2)(I))” is changed to read “(within the ranges of the applicable test methods).”

4. Additional requirements for in-line oxygenate blending in pipelines using computer-controlled blending.

a. An oxygenate blender that produces Arizona CBG by blending ~~fuel ethanol~~ oxygenate with AZRBOB into a pipeline using computer-controlled in-line blending shall, for each batch of Arizona CBG produced:

i. Obtain a flow proportional composite sample after the addition of ~~fuel ethanol~~ oxygenate and before combining the resulting Arizona CBG with any other Arizona CBG;

ii. Determine the oxygen content of the Arizona CBG by analyzing the composite sample within 24 hours of blending using the methodology in R3-7-759; and

iii. Determine the volume of the resulting Arizona CBG.

b. If the test results for the Arizona CBG indicate that it does not contain the amount of ~~fuel ethanol~~ oxygenate specified by the ranges of the applicable test methods, the oxygenate blender shall:

i. Notify the pipeline to downgrade the Arizona CBG to conventional gasoline or transmix upon arrival in Arizona;

ii. Begin an investigation to determine the cause of the noncompliance;

iii. Collect a representative sample every two hours during each in-line blend of AZRBOB and ~~fuel ethanol~~ oxygenate, and analyze the samples within 12 hours of collection, until the cause of the noncompliance is determined and corrected; and

iv. Notify the associate director in writing within one business day that the Arizona CBG does not comply with the requirements of this Article.

c. The oxygenate blender shall comply with subsection (I)(4)(b)(iii) until the associate director determines that the corrective action has remedied the noncompliance.

5. Recordkeeping and records retention.

a. An oxygenate blender shall maintain, for five years from the date of each sampling, records of the following:

i. Sample date,

ii. Identity of blend or product sampled,

iii. Container or other vessel sampled,

iv. Volume of final blend or shipment,

v. Oxygen content as determined under R3-7-759, and

vi. Results from all testing.

b. The associate director shall deem that Arizona CBG blended by an oxygenate blender and not tested and documented as required by this Section has an oxygen content that exceeds the standards specified in R3-7-751 or exceeds the comparable PM averaging limits, if applicable, unless the oxygenate blender demonstrates to the associate director that the Arizona CBG meets the standards in R3-7-751.

c. Within 20 days of the associate director’s ~~Director’s~~ written request, an oxygenate blender shall provide any records maintained by the oxygenate blender under this Section. If the oxygenate blender fails to provide records requested for a blend or shipment of Arizona CBG, the associate director shall deem that the blend or shipment of Arizona CBG violates R3-7-751 or exceeds the comparable PM averaging limits, if applicable, unless the oxygenate blender demonstrates to the associate director that the Arizona CBG meets the standards and limits under R3-7-751.

6. Notification requirement. An oxygenate blender shall notify the associate director by fax or e-mail before transporting Arizona CBG or AZRBOB into the CBG-covered area by a means other than a pipeline.

7. Quality assurance and quality control (QA/QC) program. An oxygenate blender that conducts sampling and testing under subsection (I) in the oxygenate blender’s own laboratory shall develop a QA/QC program to demonstrate the accuracy and effectiveness of the oxygenate blender’s sampling and testing of Arizona CBG or AZRBOB. The oxygenate blender shall submit the QA/QC program to the associate director for approval at least three months before transporting Arizona CBG. The associate director shall approve a QA/QC program only if the associate director determines that the QA/QC program ensures that the oxygenate blender’s sampling and testing produces data that are complete, accurate, and reproducible. Instead of developing a QA/QC program, an oxygenate blender may comply with the independent testing requirements of R3-7-752(F), except that, for sampling and testing conducted under subsection (I)(3), the minimum number of samples collected and tested by the independent laboratory shall be 10% of the number of samples required to be collected and tested under subsection (I).

8. An oxygenate blender that does not conduct laboratory sampling and testing required under subsection (I) in its own laboratory shall designate an independent laboratory, as described in R3-7-752(F), to conduct the sampling and testing required under subsection (I)(7).

9. Within 24 hours of the associate director’s or designee’s written request, an oxygenate blender shall submit a duplicate of any sample collected under subsection (I)(7).

**J.** Subsection (A)(1)(a) will not become effective until Arizona’s revised State Implementation Plan submitted by ADEQ to EPA in August 2013 and subsequent supplement submitted July 2014 is approved by EPA.

R3-7-756. Downstream Blending of Arizona CBG with Nonoxygenate Blendstocks

**A.** A person shall not combine Arizona CBG supplied from a production or import facility with any nonoxygenate blendstock, other than vapor recovery condensate, unless the person demonstrates to the associate director:

1. The blendstock added to the Arizona CBG meets all of the Arizona CBG standards regardless of the fuel properties and performance standards of the Arizona CBG to which the blendstock is added;

2. The person meets the requirements in this Article applicable to producers of Arizona CBG; and

3. The resulting fuel blend is not used within the CBG-covered area.

**B.** Notwithstanding subsection (A), a person may add nonoxygenate blendstock to a previously certified batch or mixture of certified batches of Arizona CBG that does not comply with one or more of the applicable per-gallon standards contained in R3-7-751(A) or (B) if the person obtains prior written approval from the associate director based on a demonstration that adding the blendstock will bring the previously certified Arizona CBG into compliance with the applicable per-gallon standards for Arizona CBG. The oxygenate blender or registered supplier shall certify the re-blended Arizona CBG to the Division.

R3-7-757. Product Transfer Documentation; Records Retention

**A.** If a person transfers custody or title to Arizona CBG or AZRBOB, other than when Arizona CBG is sold or dispensed at a motor fuel dispensing site or fleet vehicle fueling facility, the transferor shall provide to the transferee documents that include the following:

1. Volume of Arizona CBG or AZRBOB being transferred;

2. Location of the Arizona CBG or AZRBOB at the time of transfer;

3. Date of the transfer;

4. Product transfer document number;

5. Identification of the gasoline as Arizona CBG or AZRBOB;

6. Minimum octane rating of the Arizona CBG or AZRBOB;

7. For oxygenated Arizona CBG designated for sale for use in motor vehicles from November 1 through March 31, the type and minimum quantity of ~~fuel ethanol~~ oxygenate contained in the Arizona CBG;

8. If the product transferred is AZRBOB for which ~~fuel ethanol~~ oxygenate blending is intended:

a. Identification of the fuel as AZRBOB and a statement that the “AZRBOB does not comply with the standards for Arizona CBG without the addition of ~~fuel ethanol~~ oxygenate”;

.b. ~~Fuel ethanol~~ Oxygenate type or types and amount or range of amounts that the AZRBOB requires to meet the fuel properties or performance standards claimed by the registered supplier of the AZRBOB, and the applicable specifications for volume percent ~~fuel ethanol~~ of oxygenate and weight percent oxygen content; and

c. Instructions to the transferee that the AZRBOB may not be combined with any other AZRBOB unless the other AZRBOB has the same requirements for ~~fuel ethanol~~ oxygenate type or types and amount or range of amounts; and

9. The final destination:

a. When a terminal is the transferor, the owner or the operator of the product transfer document the terminal name and address~~,~~ and the transporter name and address;

b. When a transporter is the transferor, the transporter shall include on the product transfer document the name and address of the transporter and the final destination, which is the location at which the motor fuel will be delivered and off loaded from the truck; and

c. When a jobber or marketer is the transferor, the jobber or marketer shall include on the product transfer document the name and address of the jobber or marketer and the final destination, which may be a final distribution facility or a motor fuel dispensing site.

**B.** To enable a transferor to comply fully with the requirement in subsection (A)(9), the transferee shall supply to the transferor information regarding the final destination.

**C.** A registered supplier, third-party terminal, or pipeline may comply with subsection (A) by using standardized product codes on pipeline tickets if the codes are specified in a manual distributed by the pipeline to transferees of the Arizona CBG or AZRBOB, and the manual includes all required information for the Arizona CBG or AZRBOB.

**D.** Any transferee in subsection (A), other than a registered supplier, oxygenate blender, third-party terminal, pipeline, motor fuel dispensing site, or fleet vehicle fueling facility shall retain product transfer documents for each shipment of Arizona CBG or AZRBOB transferred during the 24 months before the most recent transfer. The transferee shall maintain product transfer documents for the 30 days before the most recent transfer at the business address listed on the product transfer document. The transferee may maintain all remaining product transfer documents for the preceding 24 months elsewhere.

**E.** A motor fuel dispensing site or fleet vehicle fueling facility shall retain product transfer documents for each shipment of Arizona CBG transferred during the 12 months before the most recent transfer. The motor fuel dispensing site or fleet vehicle fueling facility shall maintain product transfer documents for the three most recent transfers on the premises. The motor fuel dispensing site or fleet vehicle fueling facility may maintain the remaining product transfer documents for the preceding 12 months elsewhere.

**F.** A registered supplier, oxygenate blender, third-party terminal, or pipeline shall retain product transfer documents for each shipment of Arizona CBG or AZRBOB transferred during the 60 months before the most recent transfer. The transferee shall maintain product transfer documents for each shipment of Arizona CBG or AZRBOB transferred during the 30 days preceding the most recent transfer at the business address listed on the product transfer document. The transferee may maintain all remaining product transfer documents for the preceding 60 months elsewhere.

**G.** When a person transfers custody or title of ~~fuel ethanol~~ an oxygenate that is intended for use in AZRBOB or Arizona CBG, the person shall provide the transferee a document that prominently states that the ~~fuel ethanol~~ oxygenate complies with the standards for ~~fuel ethanol~~ an oxygenate intended for use in AZRBOB or Arizona CBG.

**H.** Upon request by the associate director or designee, a person shall present product transfer documents to the Division within two working days of the request. Legible photocopies of the product transfer documents are acceptable.

R3-7-759. Testing Methodologies

**A.** Except as provided in subsection (C), a registered supplier or importer certifying Arizona CBG or AZRBOB as meeting the requirements of this Article shall use one of the methods listed in Table A. A copy of the EPA- or CARB-approved ASTM methods may be obtained at: ASTM International (formerly American Society for Testing and Materials), 100 Bar Harbor Drive, West Conshohocken, PA 19428-2959 or www.astm.org. A copy of the CARB methods may be obtained at: California Air Resources Board, P.O. Box 2815, Sacramento, CA 95812 or www.arb.ca.gov.

**B.** An oxygenate blender or third-party terminal certifying Arizona CBG or AZRBOB before transport to the CBG-covered area shall measure ~~fuel ethanol~~ the oxygenate content in accordance with the oxygenate blender’s or third-party terminal’s approved QA/QC program or in accordance with one of the methods listed in Table A.

**C.** Rather than using a method listed in Table A to certify Arizona CBG or AZRBOB, a registered supplier may use the CARBOB Model and use the fuel-quality measures calculated using the CARBOB Model for compliance and reporting purposes.

**D.** A test method that the Division determines is equivalent to those listed in Table A may be used to certify Arizona CBG or AZRBOB. The Division has determined that test methods approved by either the EPA or CARB are equivalent test methods. To determine whether a proposed test method is equivalent to those listed in Table A, the Division shall thoroughly review data from both the proposed and designated test methods and assess whether the accuracy and precision of the proposed method is equal to or better than the accuracy and precision of the designated method and whether there is significant bias between the two methods. The Division shall approve a proposed test method only if the Division determines that the accuracy and precision of the proposed test method is equal to or better than the accuracy and precision of the designated method and receives the concurrence of the EPA Regional Administrator. A correlation equation may be required to align the two methods. If a correlation equation is required to align the two methods, the correlation equation becomes part of the equivalent method.

**E.** Subsections (C) and (D) will not become effective until Arizona’s revised State Implementation Plan submitted by ADEQ to EPA in August 2013 and subsequent supplement submitted July 2014 is approved by EPA.

Table A. Arizona  Weights and Measures Services Division Test Methods for Arizona CBG and AZRBOB

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Fuel Parameter | Units | EPA-approved Test Method | EPA-approved Reproducibility | CARB-approved Test Method | CARB-approved Reproducibility |
| Aromatics | V% | D5769-04 |  |  |  |
| V% | D1319-02a (2003)A | 1.65 | D5580-00 | 1.4 |
| Benzene | V% | D3606-99 (2007) | 0.21 | D5580-00 | 0.1409 (X) 1.133 |
| Olefins | V% | D1319-02a (2003) | 0.32 (x)0.5 | D6550-00 (2005) if correlated to D1319 | 0.32 (X) 0.5; Footnote 1 |
| Oxygenates | W% | D5599-00 | See test method | D4815-99 (2004) | See test method |
| W% | D4815-99 (2004)B | See test method |  |  |
| Vapor Pressure  (Correlation Equation) Footnote 2 | psi | D5191-01 (2007) | 0.3 | 13 CCR Section 2297 | 0.21 |
| Sulfur | wppm | D2622-98 (2005) |  | D5453-93 | 0.2217 (x)0.92 wppm |
|  |  |  |  | D2622-94  (modified) | 10-30 wppm R=0.405 (x)  > 30 wppm R =0.192 (x) |
| Distillation T50 | deg F | D86-01 (2007b) | See test method | D86-99ae1 | See test method |
| Distillation T90 | deg F | D86-01 (2007b) | See test method | D86-99ae1 | See test method |
| A A refinery or importer may determine aromatics content using ASTM D1319-02a (2003) if the result is correlated to ASTM D5769-98 (2004).  B A refinery or importer may determine oxygenate content using ASTM D4815-99 (2004) if the result is correlated to ASTM D5599-00 (2005).  Footnotes:  1. Replace the last sentence in ASTM D6550-00 (2005) Section 1.1 with the following: “The application range is from 0.3 to 25 mass percent total olefin, as defined in Section 2263(b), Title 13, California Code of Regulations. If olefin concentrations are not detected, substitute one-half of the detection limit.”  2. When determining vapor pressure, the only correlation equation to be used is equation 1 in ASTM D5191-07, Section 14.2, ASTM equation ((.965X)-A). | | | | | |

R3-7-760. Compliance Surveys

**A.** A registered supplier that elects to certify that Arizona CBG or AZRBOB meets an averaging standard under R3-7-751 shall ensure that compliance surveys are conducted in accordance with a compliance survey program plan approved by the associate director. The associate director shall approve a compliance survey program plan if it:

1. Consists of at least four VOC and NOx surveys conducted at least one per month between May 1 through September 15 of each year, and

2. Complies with subsection (J).

**B.** If a registered supplier fails to ensure that an approved compliance survey program is conducted, the associate director shall issue an order requiring the registered supplier to comply with all applicable fuel property and performance standards on a per-gallon basis for six months or through the end of the survey period identified in subsection (A)(1), whichever is longer. Regardless of when a failure to survey occurs, the associate director’s order shall require compliance with per-gallon standards from the beginning of the survey period during which the failure to survey occurs.

**C.** General compliance survey requirements. A registered supplier shall ensure that a compliance survey conforms to the following:

1. Consists of all samples that are collected under an approved survey program plan during any consecutive seven days and that are not excluded under subsection (C)(4);

2. Is representative of all Arizona CBG being dispensed in the CBG-covered area as provided in subsection (G);

3. Analyzes each sample included in the compliance survey for oxygenate type and content, olefins, sulfur, aromatic hydrocarbons, E200, E300, and vapor pressure according to the test methods in R3-7-759. Vapor pressure is required to be analyzed only from May 1 through September 15;

4. Bases the results of the compliance survey upon an analysis of each sample collected during the course of the compliance survey, unless a sample does not comply with the applicable per gallon maximum or minimum fuel property standard being evaluated in addition to any reproducibility that applies to the fuel property standard; and

5. If a laboratory analyzes the compliance survey samples, the laboratory participates in a correlation program with the associate director to ensure the validity of analysis results.

**D.** If the associate director determines that a sample used in a compliance survey does not comply with R3-7-751 or another requirement under this Article, the associate director shall take enforcement action against the registered supplier.

**E.** A registered supplier shall comply with the following VOC and NOx compliance survey requirements:

1. For each compliance survey sample, determine the VOC and NOx emissions reduction percentage based upon the tested fuel properties for that sample using the methodology for calculating VOC and NOx emissions reductions at 40 CFR 80.45, as incorporated by reference in R3-7-702;

2. The CBG-covered area fails a VOC compliance survey if the VOC emissions reduction percentage average of all samples collected during the compliance survey is less than the per-gallon standard for VOC emissions reduction percentage in Table 1, column A.

3. The CBG-covered area fails a NOx compliance survey if the NOx emissions reduction percentage average of all samples collected during the compliance survey is less than the per-gallon standard for NOx emissions reduction percentage in Table 1, column A.

**F.** A registered supplier shall determine the result of the series of NOx compliance surveys conducted May 1 through September 15 as follows:

1. For each compliance survey sample, the NOx emissions reduction percentage is determined based upon the tested fuel properties for that sample using the methodology for calculating NOx emissions reduction at 40 CFR 80.45, as incorporated by reference in R3-7-702; and

2. The CBG-covered area fails the NOx series of compliance surveys conducted May 1 through September 15 if the NOx emissions reduction percentage average for all compliance survey samples collected during that time is less than the Federal Complex Model per-gallon standard for the NOx emissions reduction percentage in Table 1, column A.

**G.** General requirements for an independent surveyor conducting a compliance survey. A registered supplier may have the compliance surveys required by this Section conducted by an independent surveyor. The associate director shall approve a compliance survey program conducted by an independent surveyor if the compliance survey program:

1. Is designed and conducted by a surveyor that is independent of the registered supplier. To be considered independent:

a. The surveyor shall not be an employee of any registered supplier,

b. The surveyor shall not have an obligation to or interest in any registered supplier, and

c. The registered supplier shall not have an obligation to or interest in the surveyor;

2. Includes enough samples to ensure that the average levels of oxygen, vapor pressure, aromatic hydrocarbons, olefins, T50, T90, and sulfur are determined with a 95 percent confidence level, with error of less than 0.1 psi for vapor pressure, 0.1 percent for oxygen (by weight), 0.5 percent for aromatic hydrocarbons (by volume), 0.5 percent for olefins (by volume), 5°F for T50 and T90, and 10 wppm for sulfur;

3. Requires that the surveyor not provide advance notice, except as provided in subsection (H), of the date or location of any survey sampling;

4. Requires that the surveyor provide a duplicate of any sample taken during the survey, with information regarding the name and address of the facility from and the date on which the sample was taken, upon request of the associate director , within 30 days following submission of the survey report required under subsection (G)(6);

5. Requires that the surveyor permit a Division official to monitor sample collection, transportation, storage, and analysis at any time;

6. Requires the surveyor to submit a report of each survey to the associate director within 30 days after sampling for the survey is completed that includes the following information:

a. Name of the person conducting the survey;

b. Attestation by an officer of the surveyor that the sampling and testing was conducted according to the compliance survey program plan and the results are accurate;

c. Identification of the registered supplier for whom the compliance survey was conducted if the compliance survey was conducted for only one registered supplier;

d. Identification of the area from which survey samples were selected;

e. Dates on which the survey was conducted;

f. Address of each facility at which a sample was collected, and the date of collection;

g. Results of the analysis of samples for oxygenate type and oxygen weight percent, aromatic hydrocarbon, and olefin content, E200, E300, and vapor pressure, and the calculated VOC or NOx emissions reduction percentage, as applicable, for each survey conducted during the period identified in subsection (A)(1);

h. Name and address of each laboratory at which samples were analyzed;

i. Description of the method used to select the facilities from which a sample was collected;

j. Number of samples collected from each facility;

k. Justification for excluding a collected sample from the survey, if one was excluded; and

l. Average VOC and NOx emissions reduction percentage.

**H.** An independent surveyor shall begin each survey on a date selected by the associate director. The associate director shall notify the surveyor of the date selected at least 10 business days before the survey is to begin.

**I.** To obtain the associate director’s approval of a compliance survey program plan, the person seeking approval shall:

1. Submit the plan to the associate director no later than January 1 to cover the survey period of May 1 through September 15 of each year, and

2. Have the plan signed by a corporate officer of the registered supplier or by an officer of the independent surveyor.

**J.** No later than April 1 of each year, a registered supplier that intends to meet the requirements in subsection (A) by contracting with an independent surveyor to conduct the compliance survey plan for the next summer and winter season shall enter into the contract and pay all of the money necessary to conduct the compliance survey plan. The registered supplier may pay the money necessary to conduct the compliance survey plan to the independent surveyor or to an escrow account with instructions to the escrow agent to release the money to the independent surveyor as the compliance survey plan is implemented. No later than April 15, the registered supplier shall submit to the associate director a copy of the contract with the independent surveyor, proof that the money necessary to conduct the compliance survey plan has been paid, and, if applicable, a copy of the escrow agreement.

R3-7-761. Liability for Noncompliant Arizona CBG or AZRBOB

**A.** Persons liable. If motor fuel designated as Arizona CBG or AZRBOB does not comply with R3-7-751, the following are liable for the violation:

1. Each person who owns, leases, operates, controls, or supervises a facility where the noncompliant Arizona CBG or AZRBOB is found;

2. Each registered supplier whose corporate, trade, or brand name, or whose marketing subsidiary’s corporate, trade, or brand name, appears at a facility where the noncompliant Arizona CBG or AZRBOB is found; and

3. Each person who manufactured, imported, sold, offered for sale, dispensed, supplied, offered for supply, stored, transported, or caused the transportation of any gasoline in a storage tank containing Arizona CBG or AZRBOB found to be noncompliant.

**B.** Defenses.

1. A person who is otherwise liable under subsection (A) is not liable if that person demonstrates:

a. That the violation was not caused by the person or person’s employee or agent;

b. That product transfer documents account for all of the noncompliant Arizona CBG or AZRBOB and indicate that the Arizona CBG or AZRBOB complied with this Article; and

c. That the person had a quality assurance sampling and testing program, as described in subsection (C) in effect at the time of the violation; except that any person who transfers Arizona CBG or AZRBOB, but does not assume title, may rely on the quality assurance program carried out by another person, including the person who owns the noncompliant Arizona CBG or AZRBOB, provided the quality assurance program is properly administered.

2. If a violation is found at a facility that operates under the corporate, trade, or brand name of a registered supplier, that registered supplier must show, in addition to the defense elements in subsection (B)(1), that the violation was caused by:

a. A violation of law other than A.R.S. Title 3, Chapter 19, Article 6, this Article, or an act of sabotage or vandalism;

b. A violation of a contract obligation imposed by the registered supplier designed to prevent noncompliance, despite periodic compliance sampling and testing by the registered supplier; or

c. The action of any person having custody of Arizona CBG or AZRBOB not subject to a contract with the registered supplier but engaged by the registered supplier for transportation of Arizona CBG or AZRBOB, despite specification or inspection of procedures and equipment by the registered supplier designed to prevent violations.

3. To show that the violation was caused by any of the actions in subsection (B)(2), the person must demonstrate by reasonably specific showings, by direct or circumstantial evidence, that the violation was caused or must have been caused by another person.

**C.** Quality assurance sampling and testing program. To demonstrate an acceptable quality assurance program for Arizona CBG or AZRBOB, at all points in the gasoline distribution network, other than at a  motor fuel dispensing site or fleet owner facility, a person shall present evidence:

1. Of a periodic sampling and testing program to determine compliance with the maximum or minimum standards in R3-7-751; and

2. That each time Arizona CBG or AZRBOB is noncompliant with one of the requirements in R3-7-751:

a. The person immediately ceases selling, offering for sale, dispensing, supplying, offering for supply, storing, transporting, or causing the transportation of the noncompliant Arizona CBG or AZRBOB; and

b. The person remedies the violation as soon as practicable.

R3-7-762. Penalties

Any person who violates any provision of this Article is subject to the following:

1. Prosecution for a Class 2 misdemeanor under A.R.S. § 3-3473(B)(4);

2. Civil penalties in the amount of $500 per violation under A.R.S. § 3-3475; and

3. Stop-use, stop-sale, hold, and removal orders under A.R.S. § 3-3415(A)(2).

Table 1. Type 1 Arizona CBG Standards

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Non-averaging Option | Averaging Option | | |
| A | B | C | D |
| Performance Standard/Fuel Property\*\* | Per-Gallon (minimum) | Average | Minimum (per-gallon) | Maximum (per-gallon) |
| VOC Emission Reduction (%)  May 1 ~~-~~through Sept. 15 | 27.5 | 29.0 | 25.0 | N/A |
| NOx Emission Reduction (%)  May 1 ~~-~~through Sept. 15 | 5.5 | 6.8 | N/A | N/A |
| NOx Emission Reduction (%)  Sept. 16 - October 31 and February 1 - April 30\*\*\* | 0.0 | N/A | N/A | N/A |
| Oxygen content: fuel ethanol, (% by weight unless otherwise noted)  November 1 - March 31\*\*\*  April 1 - October 31 | N/A  0.0\* | N/A  N/A | N/A  0.0 | N/A  4.0 |
| Oxygen content: other than fuel ethanol, (% by weight)  November 1 - March 31\*\*\*  April 1 - October 31 | N/A  0.0 | N/A  N/A | N/A  0.0 | N/A  \*~~\*\*\*~~ |
| \* Maximum oxygen content shall comply with the EPA oxygenate waiver requirements and with A.R.S. § 3-3491.  \*\* Dates represent compliance dates for the owner of a motor fuel dispensing site or a fleet vehicle fueling facility.  \*\*\* A registered supplier shall certify all Arizona CBG as Type 2 Arizona CBG meeting the standards in Table 2 beginning November 1 through March 31.  ~~\*\*\*\*As specified in A.R.S. § 3-3491.~~ | | | | |

Table 2. Type 2 Arizona CBG Standards

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Averaging Option | | Non-averaging Option |  |
| A | B | C |  |
| Fuel Property | Maximum  Standard (per gallon) | Averaging Standard\* | Flat Standard \*  (per gallon  maximum) | Units of Standard |
| Sulfur Content | 80 | 30 | 40 | Parts per million by weight |
| Olefin Content | 10.0 | 4.0 | 6.0 | % by volume |
| 90% Distillation Temperature (T90) | 330 | 290 | 300 | Degrees Fahrenheit |
| 50% Distillation Temperature (T50) | 220 | 200 | 210 | Degrees Fahrenheit |
| Aromatic Hydrocarbon Content | 30.0 | 22.0 | 25.0 | % by volume |
| Oxygen content: fuel ethanol\*\*  November 1 - March 31 | 10% fuel ethanol | - | 10% fuel ethanol\*\* | % by volume |
| April 1 - October 31 |  | - |  |  |
| The maximum oxygen content year around |  | - | 4.0 | % by weight |
| Oxygen content: other than fuel ethanol, (% by weight) |  |  |  |  |
| November 1 - March 31\*\*\* | 2.7 | - | \*\* | % by weight |
| April 1 - October 31 | 0 | - | \*\* | % by weight |
| \* Instead of the standards in columns B and C, a registered supplier may comply with the standards contained in column A, and R3-7-751(G), (H), and (I) for the use of the PM.  \*\* Maximum oxygen content shall comply with the EPA oxygenate waiver requirements and A.RS. 3-3491. Alternative fuel ethanol contents not less than 2.7% total oxygen may be used if approved by the associate director under A.R.S. § 3-3493(C).  \*\*\*A registered supplier shall certify all Arizona CBG using fuel ethanol as the oxygenate beginning November 1 through March 31 until the EPA approves the use of other oxygenates as part of the revised State Implementation Plan. ~~Alternative fuel ethanol contents not less than 2.7% total oxygen may be used if approved by the associate director under A.R.S. § 3-3493(C).~~  NOTE: Dates represent compliance dates for the owner of a motor fuel dispensing site or fleet vehicle fuel facility. | | | | |