State of Arizona Senate Forty-eighth Legislature First Regular Session 2007

SENATE BILL 1455

AN ACT

AMENDING SECTION 41-2083, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2002, CHAPTER 104, SECTION 2; AMENDING SECTION 41-2083, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2005, CHAPTER 104, SECTION 1; AMENDING LAWS 2004, CHAPTER 293, SECTION 5; AMENDING LAWS 2005, CHAPTER 104, SECTION 7; RELATING TO LOW SULFUR DIESEL FUEL; PROVIDING FOR CONDITIONAL ENACTMENT.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 41-2083, Arizona Revised Statutes, as amended by Laws 2002, chapter 104, section 2, is amended to read:

41-2083. Standards for motor fuel: exceptions

- A. Except as provided in subsections C, D, E, F, G, K, L, M and N of this section, a retail seller or fleet owner shall not store, sell or expose or offer for sale any motor fuel, kerosene, oil or other liquid or gaseous fuel or lubricating oil, lubricant, mixtures of lubricants or other similar products if the product fails to meet the standards specified in this section and in the rules adopted by the director.
- B. A person shall not misrepresent the nature, origination, quality, grade or identity of any product specified in subsection A of this section or represent the nature, origination, quality, grade or identity of such product in any manner calculated or tending to mislead or in any way deceive.
- C. After consultation with the director of the department of environmental quality, the standards and test methods for motor fuels shall be established by the director of the department of weights and measures by rule.
- D. Maximum vapor pressure for gasoline that is supplied or sold by any person and that is intended as a final product for the fueling of motor vehicles in a county with a population of one million two hundred thousand or more persons and any portion of a county contained in area A as defined in section 49-541 shall be 9.0 pounds per square inch from and after September 30 through March 31 of each year. Fuel used in motor vehicles at a manufacturer's proving ground or a motor vehicle racing event as defined by section 41-2121 is exempt from this subsection.
- E. From and after September 30 through March 31 of each year a person shall not supply or sell gasoline that exceeds the ASTM D4814 class A vapor pressure/distillation class ten volume per cent evaporated distillation temperature.
- F. Maximum vapor pressure for gasoline that is supplied or sold by any person and that is intended as a final product for the fueling of motor vehicles in a county with a population of one million two hundred thousand persons or more and any portion of a county contained in area A as defined in section 49-541 shall be 7.0 pounds per square inch from and after May 31 through September 30 of each year. Fuel used in motor vehicles at a manufacturer's proving ground or a motor vehicle racing event as defined by section 41-2121 is exempt from this subsection.
- G. Exclusively for the purposes of transportation conformity and only if the administrator of the United States environmental protection agency fails to approve the applicable plan required pursuant to section 49-406, maximum vapor pressure for gasoline that is supplied or sold by any person and that is intended as a final product for the fueling of motor vehicles in area B as defined in section 49-541 shall be ten pounds per square inch from and after September 30 through March 31 of each year. Fuel used in motor

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vehicles at a manufacturer's proving ground or a motor vehicle racing event as defined by section 41-2121 is exempt from this subsection.

- H. Notwithstanding subsections D, F and G of this section, the director of the department of weights and measures in consultation with the director of the department of environmental quality shall approve alternate fuel control measures that are submitted by manufacturers or suppliers of gasoline and that the directors determine will result in either of the following:
- 1. Motor vehicle carbon monoxide emissions that are equal to or less than emissions that result under compliance with subsection D of this section and section 41-2123. In making this determination, the director of the department of weights and measures and the director of the department of environmental quality shall compare the emissions of the alternate fuel control measure with the emissions of a fuel with a maximum vapor pressure standard as prescribed by this section and with the minimum oxygen content or percentage by volume of ethanol as prescribed by section 41-2123.
- 2. Motor vehicle non-methane hydrocarbon emissions that are equal to or less than the emissions that result under compliance with subsection F of this section. In making this determination, the director of the department of weights and measures and the director of the department of environmental quality shall compare the motor vehicle non-methane hydrocarbon emissions of the alternate fuel control measure with the motor vehicle non-methane hydrocarbon emissions of a fuel that complies with the maximum vapor pressure standard as prescribed by subsection F of this section.
- I. Any alternate fuel control measures that are approved shall not increase emissions of non-methane hydrocarbons, particulates, carbon monoxide or oxides of nitrogen. Alternate fuel control measures approved pursuant to subsection H of this section and this subsection may be used by any manufacturer or supplier of gasoline unless the approval is rescinded more than one hundred eighty days before the first day of a gasoline control period. Manufacturers and suppliers who use an approved alternate fuel control measure shall annually submit a compliance plan to the director of the department of weights and measures no later than sixty days before the first day of a gasoline control period.
- J. A person shall not sell or offer or expose for sale diesel fuel grade 1, 2 or 4 as defined in ASTM D975 that contains sulfur in excess of:
- 1. FOR LOW SULFUR DIESEL FUEL, five hundred parts per million BY WEIGHT for use in area A as defined in section 49-541.
- 2. FOR ULTRA LOW SULFUR DIESEL FUEL, THE AMOUNT THAT CONFORMS WITH 40 CODE OF FEDERAL REGULATIONS SECTION 80.520(a)(1).
- K. A person shall not sell or offer or expose for sale biodiesel that is not tested or does not meet the specifications established by ASTM D6751 or any blend of biodiesel and diesel fuel that is not tested or does not meet the specifications established by ASTM D975 and that contains sulfur in

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excess of five hundred parts per million for use in area A as defined in section 49-541.

- L. A person that blends biodiesel that is intended as a final product for the fueling of motor vehicles shall report to the director by the fifteenth day of each month the quantity and quality of biodiesel shipped to or produced in this state during the preceding month. A person who supplies biodiesel subject to this subsection shall report the following by batch:
 - 1. The percentage of biodiesel in a final blend.
 - 2. The volume of the finished product.
- 3. For neat biodiesel, the results of analysis for those parameters established by ASTM D6751.
- 4. For biodiesel blended with any diesel fuel, the results of the analysis of the following motor fuel parameters as established by ASTM D975:
 - (a) Sulfur content.
 - (b) Aromatic hydrocarbon content.
 - (c) Cetane number.
 - (d) Specific gravity.
 - (e) American petroleum institute gravity.
- (f) The temperatures at which ten per cent, fifty per cent and ninety per cent of the diesel fuel boiled off during distillation.
- M. The report required by subsection L of this section shall be on a form prescribed by the director and shall contain a certification of truthfulness and accuracy of the data submitted and a statement of the supplier's consent permitting the department or its authorized agent to collect samples and access records as provided in rules adopted by the department. A corporate officer who is responsible for operations at the facility that produces or ships the final product shall sign the report.
- N. A person shall label dispensers at which biodiesel is dispensed in such a manner as to notify other persons of the volume percentage of biodiesel in the finished product AND THAT CONFORMS WITH 40 CODE OF FEDERAL REGULATIONS SECTIONS 80.570, 80.571, 80.572, 80.573 AND 80.574 TO INFORM THE CUSTOMER OF THE SULFUR CONTENT OF THE DIESEL FUEL BEING DISPENSED.
- O. A PERSON SHALL LABEL EACH DISPENSER AT WHICH ULTRA LOW SULFUR DIESEL FUEL IS DISPENSED IN A MANNER THAT CONFORMS WITH 40 CODE OF FEDERAL REGULATIONS SECTIONS 80.570, 80.571, 80.572, 80.573 AND 80.574 TO INFORM THE CUSTOMER OF THE SULFUR CONTENT OF THE DIESEL FUEL BEING DISPENSED.
- P. A PERSON SHALL LABEL EACH DISPENSER AT WHICH LOW SULFUR DIESEL FUEL IS DISPENSED IN A MANNER THAT CONFORMS WITH 40 CODE OF FEDERAL REGULATIONS SECTIONS 80.570, 80.571, 80.572, 80.573 AND 80.574 TO INFORM THE CUSTOMER OF THE SULFUR CONTENT OF THE DIESEL FUEL BEING DISPENSED.
- Q. IF ANY PERSON TRANSFERS CUSTODY OR TITLE OF A DIESEL FUEL OR DISTILLATE, EXCEPT IF THE DIESEL FUEL IS DISPENSED INTO A MOTOR VEHICLE OR NONROAD, LOCOMOTIVE OR MARINE EQUIPMENT, THE TRANSFEROR SHALL PROVIDE TO THE TRANSFERE PRODUCT TRANSFER DOCUMENTS THAT CONFORM WITH 40 CODE OF FEDERAL REGULATIONS SECTION 80.590.

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- R. IF THE TRANSFER OF A MOTOR FUEL IS FROM A TERMINAL, STORAGE FACILITY, OR TRANSMIX FACILITY, THE PRODUCT TRANSFER DOCUMENTS SHALL CONTAIN THE INFORMATION PRESCRIBED IN SUBSECTION Q OF THIS SECTION AS WELL AS THE NAME AND ADDRESS OF THE FINAL DESTINATION FOR THE SHIPMENT, AS PRESCRIBED BY DEPARTMENT RULE, AND MUST ACCOMPANY THE SHIPMENT TO ITS FINAL DESTINATION.
- Sec. 2. Section 41-2083, Arizona Revised Statutes, as amended by Laws 2005, chapter 104, section 1, is amended to read:

41-2083. Standards for motor fuel; exceptions

- A. Except as provided in subsections C, D, E, F, G, K, L, M and N of this section, a retail seller or fleet owner shall not store, sell or expose or offer for sale any motor fuel, kerosene, oil or other liquid or gaseous fuel or lubricating oil, lubricant, mixtures of lubricants or other similar products if the product fails to meet the standards specified in this section and in the rules adopted by the director.
- B. A person shall not misrepresent the nature, origination, quality, grade or identity of any product specified in subsection A of this section or represent the nature, origination, quality, grade or identity of such product in any manner calculated or tending to mislead or in any way deceive.
- C. After consultation with the director of the department of environmental quality, the standards and test methods for motor fuels shall be established by the director of the department of weights and measures by rule.
- D. Maximum vapor pressure for gasoline that is supplied or sold by any person and that is intended as a final product for the fueling of motor vehicles in a county with a population of one million two hundred thousand or more persons and any portion of a county contained in area A as defined in section 49-541 shall be 9.0 pounds per square inch from and after September 30 through January 31 of each year. Fuel used in motor vehicles at a manufacturer's proving ground or a motor vehicle racing event as defined by section 41-2121 is exempt from this subsection.
- E. From and after September 30 through March 31 of each year a person shall not supply or sell gasoline that exceeds the ASTM D4814 class A vapor pressure/distillation class ten volume per cent evaporated distillation temperature.
- F. Maximum vapor pressure for gasoline that is supplied or sold by any person and that is intended as a final product for the fueling of motor vehicles in a county with a population of one million two hundred thousand persons or more and any portion of a county contained in area A as defined in section 49-541 shall be 7.0 pounds per square inch from and after May 31 through September 30 of each year. Fuel used in motor vehicles at a manufacturer's proving ground or a motor vehicle racing event as defined by section 41-2121 is exempt from this subsection.
- G. Exclusively for the purposes of transportation conformity and only if the administrator of the United States environmental protection agency fails to approve the applicable plan required pursuant to section 49-406,

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maximum vapor pressure for gasoline that is supplied or sold by any person and that is intended as a final product for the fueling of motor vehicles in area B as defined in section 49-541 shall be ten pounds per square inch from and after September 30 through March 31 of each year. Fuel used in motor vehicles at a manufacturer's proving ground or a motor vehicle racing event as defined by section 41-2121 is exempt from this subsection.

- H. Notwithstanding subsections D, F and G of this section, the director of the department of weights and measures in consultation with the director of the department of environmental quality shall approve alternate fuel control measures that are submitted by manufacturers or suppliers of gasoline and that the directors determine will result in either of the following:
- 1. Motor vehicle carbon monoxide emissions that are equal to or less than emissions that result under compliance with subsection D of this section and section 41-2123. In making this determination, the director of the department of weights and measures and the director of the department of environmental quality shall compare the emissions of the alternate fuel control measure with the emissions of a fuel with a maximum vapor pressure standard as prescribed by this section and with the minimum oxygen content or percentage by volume of ethanol as prescribed by section 41-2123.
- 2. Motor vehicle non-methane hydrocarbon emissions that are equal to or less than the emissions that result under compliance with subsection F of this section. In making this determination, the director of the department of weights and measures and the director of the department of environmental quality shall compare the motor vehicle non-methane hydrocarbon emissions of the alternate fuel control measure with the motor vehicle non-methane hydrocarbon emissions of a fuel that complies with the maximum vapor pressure standard as prescribed by subsection F of this section.
- I. Any alternate fuel control measures that are approved shall not increase emissions of non-methane hydrocarbons, particulates, carbon monoxide or oxides of nitrogen. Alternate fuel control measures approved pursuant to subsection H of this section and this subsection may be used by any manufacturer or supplier of gasoline unless the approval is rescinded more than one hundred eighty days before the first day of a gasoline control period. Manufacturers and suppliers who use an approved alternate fuel control measure shall annually submit a compliance plan to the director of the department of weights and measures no later than sixty days before the first day of a gasoline control period.
- J. A person shall not sell or offer or expose for sale diesel fuel grade 1, 2 or 4 as defined in ASTM D975 that contains sulfur in excess of:
- 1. FOR LOW SULFUR DIESEL FUEL, five hundred parts per million BY WEIGHT for use in area A as defined in section 49-541.
- 2. FOR ULTRA LOW SULFUR DIESEL FUEL, THE AMOUNT THAT CONFORMS WITH 40 CODE OF FEDERAL REGULATIONS SECTION 80.520(a)(1).

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- K. A person shall not sell or offer or expose for sale biodiesel that is not tested or does not meet the specifications established by ASTM D6751 or any blend of biodiesel and diesel fuel that is not tested or does not meet the specifications established by ASTM D975 and that contains sulfur in excess of five hundred parts per million for use in area A as defined in section 49-541.
- L. A person who blends biodiesel that is intended as a final product for the fueling of motor vehicles shall report to the director by the fifteenth day of each month the quantity and quality of biodiesel shipped to or produced in this state during the preceding month. A person who supplies biodiesel subject to this subsection shall report the following by batch:
 - 1. The percentage of biodiesel in a final blend.
 - The volume of the finished product.
- 3. For neat biodiesel, the results of analysis for those parameters established by ASTM D6751.
- 4. For biodiesel blended with any diesel fuel, the results of the analysis of the following motor fuel parameters as established by ASTM D975:
 - (a) Sulfur content.
 - (b) Aromatic hydrocarbon content.
 - (c) Cetane number.
 - (d) Specific gravity.
 - (e) American petroleum institute gravity.
- (f) The temperatures at which ten per cent, fifty per cent and ninety per cent of the diesel fuel boiled off during distillation.
- M. The report required by subsection L of this section shall be on a form prescribed by the director and shall contain a certification of truthfulness and accuracy of the data submitted and a statement of the supplier's consent permitting the department or its authorized agent to collect samples and access records as provided in rules adopted by the department. A corporate officer who is responsible for operations at the facility that produces or ships the final product shall sign the report.
- N. A person shall label dispensers at which biodiesel is dispensed in such a manner as to notify other persons of the volume percentage of biodiesel in the finished product AND THAT CONFORMS WITH 40 CODE OF FEDERAL REGULATIONS SECTIONS 80.570, 80.571, 80.572, 80.573 AND 80.574 TO INFORM THE CUSTOMER OF THE SULFUR CONTENT OF THE DIESEL FUEL BEING DISPENSED.
- O. A PERSON SHALL LABEL EACH DISPENSER AT WHICH ULTRA LOW SULFUR DIESEL FUEL IS DISPENSED IN A MANNER THAT CONFORMS WITH 40 CODE OF FEDERAL REGULATIONS SECTIONS 80.570, 80.571, 80.572, 80.573 AND 80.574 TO INFORM THE CUSTOMER OF THE SULFUR CONTENT OF THE DIESEL FUEL BEING DISPENSED.
- P. A PERSON SHALL LABEL EACH DISPENSER AT WHICH LOW SULFUR DIESEL FUEL IS DISPENSED IN A MANNER THAT CONFORMS WITH 40 CODE OF FEDERAL REGULATIONS SECTIONS 80.570, 80.571, 80.572, 80.573 AND 80.574 TO INFORM THE CUSTOMER OF THE SULFUR CONTENT OF THE DIESEL FUEL BEING DISPENSED.

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Q. IF ANY PERSON TRANSFERS CUSTODY OR TITLE OF A DIESEL FUEL OR DISTILLATE, EXCEPT IF THE DIESEL FUEL IS DISPENSED INTO A MOTOR VEHICLE OR NONROAD, LOCOMOTIVE OR MARINE EQUIPMENT, THE TRANSFEROR SHALL PROVIDE TO THE TRANSFERE PRODUCT TRANSFER DOCUMENTS THAT CONFORM WITH 40 CODE OF FEDERAL REGULATIONS SECTION 80.590.
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R. IF THE TRANSFER OF A MOTOR FUEL IS FROM A TERMINAL, STORAGE FACILITY, OR TRANSMIX FACILITY, THE PRODUCT TRANSFER DOCUMENTS SHALL CONTAIN THE INFORMATION PRESCRIBED IN SUBSECTION Q OF THIS SECTION AS WELL AS THE NAME AND ADDRESS OF THE FINAL DESTINATION FOR THE SHIPMENT, AS PRESCRIBED BY DEPARTMENT RULE, AND MUST ACCOMPANY THE SHIPMENT TO ITS FINAL DESTINATION.

Sec. 3. Laws 2004, chapter 293, section 5 is amended to read:

Sec. 5. <u>Conditional enactment; notice</u>

A. Section 41-2124, Arizona Revised Statutes, as amended by LAWS 2004, CHAPTER 293, section 1 of this act, is not effective unless on or before November 1, 2007 2009 the administrator of the United States environmental protection agency approves a revision to the state implementation plan as defined in section 49-401.01, Arizona Revised Statutes, that incorporates the changes contained in LAWS 2004, CHAPTER 293, section 1 of this act.

- B. Section 41-2124, Arizona Revised Statutes, as amended by LAWS 2004, CHAPTER 293, section 2 of this act, is not effective unless on or before November 1, 2007 2009 the administrator of the United States environmental protection agency approves a revision to the state implementation plan as defined in section 49-401.01, Arizona Revised Statutes, that incorporates the changes contained in LAWS 2004, CHAPTER 293, section 2 of this act.
- C. The director of the department of environmental quality shall promptly provide written notice to the director of the Arizona legislative council of the following:
- 1. The date of approval of a revision to the state implementation plan that incorporates the changes contained in LAWS 2004, CHAPTER 293, section 1 of this act or the failure to incorporate those changes on or before November 1, $\frac{2007}{2009}$ 2009.
- 2. The date of approval of a revision to the state implementation plan that incorporates the changes contained in LAWS 2004, CHAPTER 293, section 2 $\frac{1}{2007}$ of this act or the failure to incorporate those changes on or before November 1, $\frac{2007}{2009}$ 2009.

Sec. 4. Laws 2005, chapter 104, section 7 is amended to read: Sec. 7. <u>Conditional enactment</u>

A. Section 41-2083, Arizona Revised Statutes, as amended by LAWS 2005, CHAPTER 104, section 1 of this act and section 41-2123, Arizona Revised Statutes, as amended by LAWS 2005, CHAPTER 104, section 2 of this act, are not effective unless on or before November 1, 2007 the administrator of the United States environmental protection agency approves a revision to the state implementation plan as defined in section 49-401.01, Arizona Revised Statutes, that incorporates the changes contained in LAWS 2005, CHAPTER 104, sections 1 and 2 of this act.

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- B. Section 41-2124, Arizona Revised Statutes, as amended by Laws 2004, chapter 293, section 1 and LAWS 2005, CHAPTER 104, section 4 of this act, is not effective unless only the condition prescribed in Laws 2004, chapter 293, section 5, subsection A, AS AMENDED BY SECTION 3 OF THIS ACT, is met and notice is provided pursuant to Laws 2004, chapter 293, section 5, subsection C, AS AMENDED BY SECTION 3 OF THIS ACT.
- C. Section 41-2124, Arizona Revised Statutes, as amended by Laws 2004, chapter 293, section 2 and LAWS 2005, CHAPTER 104, section 5 of this act, is not effective unless only the condition prescribed in Laws 2004, chapter 293, section 5, subsection B, AS AMENDED BY SECTION 3 OF THIS ACT, is met and notice is provided pursuant to Laws 2004, chapter 293, section 5, subsection C, AS AMENDED BY SECTION 3 OF THIS ACT.
- D. Section 41-2124, Arizona Revised Statutes, as amended by Laws 2004, chapter 293, sections 1 and 2 and LAWS 2005, CHAPTER 104, section 6 of this act, is not effective unless the conditions prescribed in Laws 2004, chapter 293, section 5, subsections A and B, AS AMENDED BY SECTION 3 OF THIS ACT, are met and notice is provided pursuant to Laws 2004, chapter 293, section 5, subsection C, AS AMENDED BY SECTION 3 OF THIS ACT.

Sec. 5. <u>Conditional enactment</u>

Section 41-2083, Arizona Revised Statutes, as amended by Laws 2005, chapter 104, section 1 and section 2 of this act, is effective as prescribed in Laws 2005, chapter 104, section 7, as amended by this act.

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