Summary of responses to the consultation on the introduction of standard rules for the permitting of petrol vapour recovery activities

1. Introduction

SEPA wished to consult on the introduction of standard rules for the permitting of petrol vapour recovery activities. Approximately 60 copies of the consultation were sent to regulated businesses, trade associations, the Scottish Government, Local Authorities and other interested parties. The consultation was also placed on our website.

The consultation closed on 18 December and we received 11 responses: eight from the public sector; two from regulated businesses and one from a trade association. The questions, responses and follow up for each question are summarised in Section 3 below.

2. Conclusion

SEPA finalised the standard rules for the permitting of petrol vapour recovery activities, taking into account the comments made by respondents:

- Standard Rules SR1 (2012) Unloading of Petrol into Storage at Service Stations from Mobile Containers (Petrol Vapour Recovery Stage I).
- Standard Rules SR2 (2012) Unloading of Petrol into Storage at Service Stations from Mobile Containers and Motor Vehicle Refuelling Activities (Petrol Vapour Recovery Stages I & II).

They are now published on our website.1

We recognise that by simplifying permits and taking out bespoke permit conditions, a significant amount of detail has been removed. This places greater responsibility on the operator to fully understand the requirements of the technical guidance. We are keen to support operators and will investigate how best to bridge the gap between the standard rules and the Process Guidance Note 1/14(06). This may be in the form of a checklist, an expansion of the web based 'frequently asked questions' or an industry wide campaign etc.

We welcome the opportunity to work with RMI Petrol, which represents petrol retailers and forecourt operators, to develop appropriate supporting materials. This work will commence in March 2012, the aim being to produce suitable forms of guidance within the next year.

3. Summary of responses

Question 1: Do you consider standard rules to be an improvement over the existing system of permits?

Seven respondents supported the use of standard rules to simplify the permitting process for Petrol Vapour Recovery activities; two of these respondents qualified their response. Four respondents made no comment.

One respondent suggested that standard rules will be an improvement if they result in lower costs for business and a more consistent permitting regime. Another respondent

¹ http://www.sepa.org.uk/air/process_industry_regulation/pollution_prevention__control/petrol_stations.aspx

highlighted that the standard rules will place greater responsibility on operators to fully understand the requirements of the process guidance note, which may sometimes be above the technical knowledge of operators, many of whom are primarily retailers. We will investigate the potential to develop a checklist that will help operators (particularly smaller petrol stations) to meet these requirements.

Question 2: Do you consider that introducing standard rules will adequately address the permitting of petrol vapour recovery activities?

Seven respondents agreed that standard rules will adequately address the permitting of petrol vapour recovery activities but five qualified their support. One respondent disagreed and three made no comment.

The main concern was the need for greater clarity for some of the requirements in <u>Process Guidance Note 1/14 (06) Unloading of Petrol into Storage at Petrol Stations</u>, e.g. what is classed as a major site refurbishment and what would the requirements be for smaller sites. We intend to address these issues through web based guidance that will include a series of <u>frequently asked questions</u>.

Comment was also made about the use of the term 'Stage I' with two respondents noting that this is often referred to in industry as either Stage 1a, which concerns the control of emissions at petrol distribution terminals, or Stage 1b, the unloading of petrol into storage at petrol filling stations. We have provided clarification in both sets of standard rules that Stage I refers to the unloading of petrol into storage at petrol filling stations.

Comment was also made that the standard rules do not facilitate the full transposition of Directive 94/63/EC on the control of volatile organic compound emissions resulting from the storage of petrol and its distribution from terminals to service stations; and Directive 2009/126/EC on Stage II petrol vapour recovery during refuelling of motor vehicles at service stations. The relevant articles of both Directives were checked and the text in the standard rules was adjusted where necessary. With regard to petrol vapour recovery at terminals, standard rules will not apply and we will continue to permit these using bespoke permits.

Question 3: Do the proposed standard rules for PVR I make the requirements clear?

Six respondents agreed that the proposed standard rules for PVR I make the requirements clear although four qualified their responses with requests for further guidance and greater clarity on the requirements. Three did not agree with the question and two made no comment.

Some respondents felt that previous background knowledge is necessary to understand the description of activities. Also that in places, accuracy had been lost in the attempt to present the activities more simply; the text in Table 1 – Activities of both sets of standard rules has been carefully amended to accurately reflect the new requirements.

To make the threshold for petrol volumes clearer, these figures are now presented in both litres and m³. One respondent also suggested that a rationale is provided to define what would constitute a reportable incident. We will consider how best to provide practical guidance so operators can meet the requirements identified in Process Guidance note 1/14 (06) Unloading of Petrol into Storage at Petrol Stations.

The comment, made in Question 2, about the lack of a definition for the term 'Stage 1 petrol vapour recovery system' was also raised here. The definition for PVR Stage 1 petrol

vapour recovery has now been included in the Standard Rules to make it clear that these rules apply to the delivery of petrol into storage tanks at service / petrol stations.

Question 4: Do the proposed standard rules for PVR I & II make the requirements clear?

Five respondents agreed that the proposed standard rules for PVR I & II make the requirements clear although four qualified their responses with requests for further guidance and greater clarity on the requirements. Four did not agree and two made no comment. The standard rules for PVR I and II have been amended to reflect the changes already noted in Question 3 above.

Some respondents sought clarification about practicalities such as the recording of test results and work undertaken (Rules 4.4 and 4.5), grace periods for equipment failures and what represents a major site refurbishment. The question about what constitutes a reportable incident was raised again e.g. limits of spillages and the respondent suggested that these should be consistent with the requirements of the Petroleum Licensing Authority. Others asked if there are design requirements for the sign, which is required in Rule 4.6, to indicate to consumers that a Stage II PVR system is in use. We will consider how best to provide practical guidance and examples reflecting these queries.

Question 5: Do you consider the removal of site boundary plans to be appropriate?

One respondent supported the removal of site boundary plans because they provide no tangible benefit. However four did not, commenting that this would lead to a lack of clarity making the boundary difficult to identify; and that they could provide useful information for sites that have other businesses operating from the location. There was recognition, however, that removing the plan would make the process simpler. Six respondents made no comment.

During the process of preparing standard rules, we considered the benefit of retaining site boundary plans for petrol stations, acknowledging that these are low risk sites. In the event that enforcement issues arise, it was determined that the site address and grid reference details provided by the operator are sufficient to take the necessary action.

Importantly, the removal of site boundary plans will make the application process simpler and easier for operators, as noted by some respondents; and it will also speed up the process of determining applications. It is for all of these reasons that SEPA does not intend to re-instate the requirement for site boundary plans at petrol stations.

Question 6: What are your views regarding the exclusive use of electronic systems, e.g. the internet and email, for dissemination of standard rules and guidance for the petrol vapour recovery sector?

Six respondents commented on the use of electronic systems. Whilst going electronic by e-mail is simple and saves on postage, alternative methods should be made available for those that have no computer access and still use paper systems e.g. existing smaller sites especially in rural areas.

One of the respondents noted that for new businesses, however, the use of electronic systems is increasingly becoming common place and that larger businesses applying for PVR Stage II are also likely to use electronic systems as a matter of course. As a result, they believe moving to on-line applications to be an acceptable route provided all associated documentation e.g. standard rules and guidance, is available on-line and that it is easily accessible. We have developed a dedicated guidance page for petrol stations.

Nevertheless, we understand that not all businesses will have computer access and will consider how best to communicate changes on a case by case basis.

Question 7: What would you consider to be the benefits to you of introducing standard rules? Is it possible for you to quantify this in terms of costs or resources (monetary or time)?

Only two respondents provided views: a trade association and one regulated business. Nine respondents made no comment.

Although difficult to quantify, respondents indicated the greatest benefit to retailers relates to the simplification arising from the use of standard rules; one example being the speedier processing of permits. Standard rules are also seen to provide the most cost effective way for controls to be implemented.

An expectation was noted by one respondent for one single charge irrespective of volume throughput. A range of proposals about charging were included in our Better Environmental Regulation consultation, launched in December 2010. We received a reasonably good level of support for charges continuing to apply to low risk and simpler forms of permitting and are planning further consultation on our funding model in 2012. These charges cover costs such as implementing online systems, preparing standard rules, codes of practice and guidance, incident response, and surveillance work.

Respondents also noted that the rules are less bureaucratic than the prescriptive permit conditions and are likely to reduce the incidents of non compliance. However, this view needs to be balanced with the concern raised in Question 1 about the level of understanding that small and independent operators may have of the requirements in the process guidance note. We will consider how best to support operators to ensure they understand these requirements.

Question 8: Can you foresee any additional implications in terms of costs or resources (monetary or time) to you as an individual business or the sector as a whole?

Three respondents answered this question: one regulated business and two local authorities.

Whilst the local authorities indicated that there could be possible cost implications for site owners who may have to upgrade site systems, the regulated business did not foresee any additional cost or resource implications.

Question 9: Do you have any other comments to make? None of the respondents made any comments

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