



LATE COMMENT

January 2, 2012

Via Electronic Filing

Jeanie Townsend
Clerk to the Board
State Water Resources Control Board
1001 I Street, 24th Floor
Sacramento, CA 95814



Subject: Comments on Proposed UST Regulations

Dear Board Members:

The California Biodiesel Alliance (CBA), California's biodiesel industry trade organization, is pleased to have the opportunity to comment on the proposed UST regulations under section 2631 Article 3 (commencing with section 2360), chapter 16, division 3, title 23 of the California Code of Regulations.

CBA wishes to express our support for the proposed regulatory action without modification. We also wish to voice our agreement with the few suggestions for future actions or considerations regarding UST approvals detailed in the comments submitted on this regulatory action by the National Biodiesel Board (NBB).

CBA very much appreciates the efforts of Water Board leadership and staff in working with us to establish the variance program in 2009. We especially commend Water Board staff for bringing this proposed regulatory action to the Board in a timely manner toward the goal of providing a smooth transition from the variance process and a stable regulatory environment for UST owners. The ongoing diligence and cooperation of Water Board staff in working with the technical community to incorporate the biodiesel industry's knowledge and research into a permanent solution as represented by the proposed regulations are especially valued.

This letter is submitted in concert with written comments on this proposed regulatory action sent on January 2nd 2012 by the National Biodiesel Board (NBB). The NBB has been of invaluable assistance to CBA's UST efforts and has taken the lead in working for the development and approval of protocols for biodiesel as well as the subsequent testing of biodiesel to the new protocols.

We wish to echo the two requests made by the NBB in that letter regarding future work, but reiterate, as they did, that such consideration should not impact the approval process of the proposed regulations. The two suggestions are quoted in full below from the NBB letter:



NBB Suggestions for Future Work and Consideration.

- 1. In the United States Environmental Protection Agency's (US EPA) guidance, "Compatibility of Underground Storage Tank Systems with Biofuel Blends," dated July 5, 2011, EPA amended the regulation to allow for another option that is not an option under the proposed California UST Regulations: Use of another method determined by the implementing agency to sufficiently protect human health and the environment. EPA stated they will work with states to further evaluate other acceptable options. The National Renewable Energy Laboratory is in the process of completing a report outlining the current status of biodiesel equipment approvals, including available materials compatibility data. This report may contain as much data on biodiesel—if not more—than is available from the current UL third party data used to approve gasoline and petrodiesel fuel in existing equipment. We would encourage the Board to consider in the future a third party report such as that being prepared by NREL as an accepted option in addition to the proposed alternatives for complying with California UST regulations.*
- 2. We also encourage the board to consider approval of biodiesel blends of B20 and lower, potentially of B20 and higher, in single wall underground storage tanks that are currently used in commerce for petrodiesel. Such a determination could be based in part, on a third party study such as that being conducted by NREL on biodiesel. Based on the existing data, there does not appear to be any more risk of UST leakage with B20 and lower blends—potentially with higher blends—than there is with conventional petrodiesel.*

Thank you for your consideration of these comments. CBA strongly supports the immediate approval of the proposed regulations prior to the expiration of the existing variance in June of 2012. Again, we very much appreciate the efforts of the Water Board, its leadership, and staff on behalf of this issue of vital concern to California's biodiesel industry. Please contact me at (415) 218-3766 with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Eric Bowen", with a long horizontal flourish extending to the right.

Eric Bowen
Chairman
California Biodiesel Alliance