

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

IN THE MATTER OF:)
) AS 05-05
PETITION OF FORD MOTOR COMPANY FOR) (Adjusted Standard – Air)
ADJUSTED STANDARD FROM)
35 Ill.Adm.Code § 218.586)

NOTICE OF FILING

PLEASE TAKE NOTICE that I filed on July 22, 2005, with the Office of the Clerk of the Pollution Control Board the **POST-HEARING BRIEF OF FORD MOTOR COMPANY IN THE MATTER OF ITS PETITION FOR ADJUSTED STANDARD FROM 35 ILL.ADM.CODE § 218.586** and **MOTION TO CORRECT TRANSCRIPT**, by electronic filing pursuant to the Board's rules and regulations, a copy of which is served upon you.

Respectfully submitted,

/s/ *Kathleen C. Bassi*
Kathleen C. Bassi
Attorney for Ford Motor Company

Dated: July 22, 2005

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PETITIONER’S POST-HEARING BRIEF

NOW COMES Petitioner, FORD MOTOR COMPANY, by and through its attorneys, SCHIFF HARDIN, LLP, and submits this Post-Hearing Brief in support of its Petition for Adjusted Standard from the requirements for Stage II vapor recovery at 35 Ill.Adm.Code § 218.586.

Section 218.586 requires that those who distribute gasoline above a monthly threshold must capture the vapors released during fueling in a Stage II vapor recovery system certified by the California Air Resources Board (“CARB”). Section 202(a)(6) of the Clean Air Act, 42 U.S.C. § 7521(a)(6), requires the manufacturers of light-duty on-road mobile sources to install onboard refueling vapor recovery (“ORVR”) systems and allows the Administrator of the U.S. Environmental Protection Agency (“USEPA”) to waive Stage II vapor recovery requirements where ORVR has become widespread.

Ford Motor Company is a manufacturer of light-duty on-road mobile sources located in the City of Chicago, an ozone nonattainment area. Ford is subject to Stage II vapor recovery requirements, as it fuels new vehicles in order for them to be sent to their retail destinations. All of the vehicles assembled at the Chicago Assembly Plant are now equipped with ORVR systems.

Ford reiterates its request that the Board grant it relief from the requirements of 35 Ill.Adm.Code § 218.586 in the form of an adjusted standard. Ford provided proposed language

to effectuate the requested adjusted standard and offers no alternatives for that requested language at this point. The Board may grant the adjusted standard consistent with federal law, as Ford has achieved the goal set forth in the Clean Air Act in that only ORVR-equipped vehicles are fueled at its Chicago Assembly Plant.

Additional Information Required by the Board

The Board ordered Ford to specifically address the factors identified in Section 28.1(c) of the Environmental Protection Act, 415 ILCS 5/28.1(c), at hearing. Ford's statements regarding those provisions of Section 28.1 can be found in the hearing transcript at page 26, line 19, through page 29, line 6. These elements are briefly summarized, as follows:

§ 28.1(c)(1): Factors relating to the petitioner are substantially and significantly different from the factors relied upon by the Board in adopting the general regulation applicable to Ford.

ORVR was not required at the time that the Board adopted the Stage II vapor recovery rules, and ORVR systems were not installed on vehicles built at the Chicago Assembly Plant at the time that the Board adopted the rule. Therefore, Ford was subject to the Stage II vapor recovery requirements as of the effective date of the rule. Now that all of the vehicles assembled at the Chicago Assembly Plant are equipped with ORVR systems, the factors that the Board was addressing in Section 218.586, *i.e.*, emissions released during the fueling of vehicles, no longer exist, as those emissions are captured by the individual vehicles' ORVR systems.

§ 28.1(c)(2): The existence of these different factors justifies an adjusted standard.

Ford's compliance with both Section 218.586 of the Board's rules and Section 202(a)(6) of the Clean Air Act creates a situation where the two vapor collecting systems compete for the emissions, perhaps making each less efficient. ORVR has made Stage II vapor recovery at the Chicago Assembly Plant obsolete and no longer necessary for Ford to comply with the level of

emissions reductions required for that plant. As such, the cost of installing and operating a new Stage II system is prohibitive and no longer cost-effective, particularly since it provides no additional environmental benefit. These factors justify the granting of the requested adjusted standard.

§ 28.1(c)(3): The requested standard will not result in environmental or health effects substantially and significantly more adverse than the effects considered by the Board in adopting § 218.586.

Granting the adjusted standard will not result in any environmental or human health effect that is worse than or different from the effects of operating Stage II vapor recovery, as both systems are required to reduce emissions by at least 95%. In fact, according to research conducted in California, alluded to by the Illinois Environmental Protection Agency (“Agency”) in its Recommendation in this matter, the environment will be improved by the granting of this petition for adjusted standard, because the operation of both systems simultaneously results in reduced capture efficiencies of each vapor recovery system.

Information requested by Ms. Liu

Ms. Alisa Liu of the Board requested certain information during hearing, and the hearing officer agreed that Ford could supplement the record with more definitive answers in this Post-Hearing Brief. Generally, the two questions posed by Ms. Liu go to some of the underlying technology of ORVR systems rather than being directly related to the adjusted standard sought. That is, for example, the life span of the carbon canisters does not affect the redundancy and reduced efficiency resulting from operating Stage II at a plant where all the vehicles fueled are equipped with ORVR. The canisters are brand new at the Chicago Assembly Plant and operate at the certified efficiencies or better. Similarly, while recognizing the very legitimate concern implied by Ms. Liu’s question, the ultimate destination of carbon canisters at the end of their

lives is not directly an issue for the Chicago Assembly Plant, as stated above, because the vehicles and their ORVR systems are brand new and not at the point of ultimate disposal.

Specifically, Ms. Liu requested the following information:

1. **“What is the expected life-span of the carbon canisters?”** Tr. at 29, ll. 22-23.

Section 207(i)(1) of the Clean Air Act, 42 U.S.C. § 7541(i)(1), sets forth the minimum requirements that automobile manufacturers must meet regarding the life-span of vehicle components. The ORVR carbon canisters are included within the scope of this provision. Ford exceeds this requirement of the Clean Air Act.

2. **“If a car exceeds the expected lifespan of 150,000 miles, does Ford give consideration of how the [spent] canisters will be handled – * * * That would be interesting to know. It addresses how one pollutant goes from one form to another, being in the air to being now in a solid form in terms of carbon canisters.”** Tr. at 31, ll. 4-6, 9-12.

Ford continues to explore ways of increasing the recyclability of its vehicles and minimizing impacts associated with a vehicle's “end of life.” Although Ford does not own or operate any automotive salvage yards, we anticipate that at the end of a vehicle's useful life, the owner typically would sell the vehicle to an automotive salvage yard. In the ORVR canister, the captured vapors are chemically adsorbed on the surface of carbon particles. If the canister was removed or broken open during vehicle dismantling and the carbon was exposed to air, the captured emissions would probably evaporate over time. However, because the adsorbed vapors in the ORVR canister are continuously recirculated into the fuel system during vehicle use, the amounts of vapors emitted from the canister upon dismantling would be minimal.

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MOTION TO CORRECT TRANSCRIPT

NOW COMES Petitioner, FORD MOTOR COMPANY, by and through its attorneys, SCHIFF HARDIN, LLP, and requests that the Board order the correction of the transcript of the hearing in this matter held June 28, 2005, as follows:

1. Page 7, Line 9: “cart” should be “CARB,” which is the acronym for the California Air Resources Board.
2. Page 7, Line 13: “emission to” should be “emissions of.”
3. Page 7, Line 16: “206A6” should be “202(a)(6).”
4. Page 10, Line 15: delete “it.”
5. Page 12, line 9: we do not understand the use of “(sic)” in this spot. This word should be deleted.
6. Page 17, Line 8: add “at a” following “one.”
7. Page 17, Line 16: “hiked” should be “piped.”
8. Page 17, Line 22: the second comma, following “fill,” should be a period, and the next word, “Any,” begins a new sentence.
9. Page 18, Line 2: “afterburn” should be “afterburner.”
10. Page 18, Line 17: “with” should be “by.”
11. Page 18, Line 21: delete the first “at,” after “systems are.”

12. Page 19, Line 17: "be" should follow "would."
13. Page 19, Line 21: "or" should be "for."
14. Page 20, Line 2: "that's" should be "that."
15. Page 23, Line 18: "EOC" should be "VOC."
16. Page 23, Line 19: "of" should be "to."
17. Page 23, Line 20: The statement does not make sense as transcribed. It should state, "if we did not have ORVR, a Stage II system would be the same," meaning that the minimal reductions achieved by ORVR and Stage II are the same, *i.e.*, each system produces a 95% reduction in emissions from uncontrolled levels.
18. Page 24, Line 3: "control" should be "controlled."
19. Page 24, Line 8: "cart" should be "CARB."
20. Page 26, Line 19: "281.1C1" should be "28.1(c)(1)."
21. Page 27, Line 19: "218.1C2" should be "28.1(c)(2)."
22. Page 27, Line 22: "our" should be "other."
23. Page 28, Line 21: "28.1C3" should be "28.1(c)(3)."
24. Page 30, Line 5: delete "an."
25. Page 30, Line 16: "for" should be "or."
26. Page 31, Line 6: "spec" should be "spent."
27. Page 35, Line 15: delete the comma.

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CERTIFICATE OF SERVICE

I, Kathleen C. Bassi, an attorney, hereby certify that on July 22, 2005, I served a true and accurate copy of **PETITIONER’S POST-HEARING BRIEF** and **MOTION TO CORRECT TRANSCRIPT** via email and first class mail on the following individuals:

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and via electronic filing with the Illinois Pollution Control Board.

 /s/ *Kathleen C. Bassi*
Kathleen C. Bassi