

Retail Station Management Issues for Gasoline Blended with Ethanol



Preparatory Phase

Conversion Phase

First Delivery

On Going
Maintenance

This document contains general guidelines based on information from a variety of sources. It is not intended to replace thorough review, careful planning, consideration of site-specific issues, or sound judgment of retail station owners and operators. Mention of tradenames does not imply endorsement. Additional information on materials compatibility, and station preparation is available from a variety of sources, including the Hawaii Department of Health; U.S. Environmental Protection Agency; Petroleum Equipment Institute; Steel Tank Institute; Fiberglass Tank & Pipe Institute; Underwriters Laboratories; Renewable Fuels Association; American Petroleum Institute; and other associations, agencies and vendors.

See www.new-fuel.com for more information.

Ethanol Coming Soon!

April 2, 2006



By April 2, 2006, gasoline in Hawaii will contain 10% ethanol. Ethanol is a common component of modern automotive fuel. All automobile manufacturers approve the use of gasoline containing up to 10% ethanol in vehicles sold in the United States. If gasoline contains no more than 10% ethanol, it is not necessary to refer to it in any other way than "regular gasoline," "midgrade gasoline," or "premium gasoline," based on its octane rating.

In Hawaii, gasoline containing 10% ethanol is exempt from the 4% State excise tax on retail sales.

Gasoline with 10% ethanol has been marketed successfully throughout the U.S. since 1978 and, in 23 states, has been used for over 20 years. Ethanol blenders receive a 5.1 cent per gallon Federal tax credit. In some states (Minnesota, New York, Connecticut, and California), virtually all of the gasoline contains ethanol. Experience elsewhere in the United States has shown that problems can be minimal to nonexistent **if jobbers and dealers pay careful attention** to a few housekeeping details.

A well maintained tank with no water and a final filter used on the dispensing hose can generally be filled with an ethanol blend with no special preparation. A tank containing water **must have the water removed before filling**. Any water problems must be identified and remedied. Once the

changeover is made on a sound tank, with proper driveway drainage, and good housekeeping practices, gasoline in your tanks and in your customers' tanks should remain clean and dry.

Please read this Fact Sheet now. To avoid any unnecessary problems for you and your customers, follow the recommendations. Further information is available from the contacts and sources listed and from Hawaii's new fuel web site at www.new-fuel.com.

PREPARATORY PHASE (prior to program start)

Eliminate Water Entry

Keeping water out of your gasoline storage tanks is important.

Review tanks' history of water accumulation and removal.

If a tank has a history of needing water removal, you must identify and eliminate the conditions that allowed water entry. If 50 gallons of water were mixed with 10,000 gallons of gasoline, it would likely result in nearly 1,000 gallons of off-spec product, hazardous waste disposal costs, and lost revenues while the tank is off-line. These problems can be avoided by eliminating water entry sites. Manholes, spill bucket covers, etc. should be checked for proper water run off and modified if necessary. Water must be kept out of fuel storage tanks, and should **never** be drained into the tank.

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