

**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

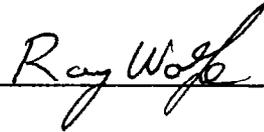
October 22, 1997

To: Board of Directors (Special Committee on Water Quality, Desalination and Environmental Compliance--Information)
(Engineering and Operations Committee--Information)
(Committee on Legislation--Information)

From: General Manager

for 

Submitted by: Mark D. Beuhler
for Director of Water Quality



Subject: Update on Methyl Tert-Butyl Ether (MTBE)

RECOMMENDATION

For information only.

EXECUTIVE SUMMARY

With the passage of state legislation aimed at addressing MTBE contamination in groundwater, significant progress has been achieved toward protection and mitigation of drinking water supplies. Governor Pete Wilson signed four MTBE-related bills and directed state agencies to initiate additional actions to address several health and environmental concerns about the use of MTBE and other oxygenates in California's gasoline. Metropolitan and its member agencies were actively involved in supporting Legislation on MTBE contamination. Metropolitan staff is continuing to work with other agencies to develop an MTBE Research Partnership to pursue both short- and long-range research needs on MTBE treatment strategies. Legislative policy principles on MTBE will be presented to the Board in December, 1997.

DETAILED REPORT

On October 9, 1997, Governor Wilson signed into law a package of bills to address several health and environmental concerns about the use of MTBE and other oxygenates in California's gasoline. The Governor signed SB 521 by Senator Richard Mountjoy

(R - Arcadia), SB 1189 by Senator Tom Hayden (D - Los Angeles), and AB 592 by Assemblywoman Sheila Kuehl (D - Encino). The Governor also signed AB 1491 by Assemblyman Jim Cunneen (R - Campbell) to prohibit delivery of petroleum to non-complying underground storage tanks (see Attachment No. 1).

The Governor also issued a letter (see Attachment No. 2) outlining additional actions the State will take to address possible human and environmental health issues associated with the use of gasoline oxygenates. The Governor requested the State Water Resources Control Board (SWRCB), not later than December 1, 1997, to convene an advisory panel of knowledgeable people, including representatives from industry, local governments, and water agencies to review several critical groundwater and surface water issues. Metropolitan has nominated Dr. Roy Wolfe, Associate Director of Water Quality, to be a member of this panel. In addition, the California Energy Commission (CEC) was directed to submit an evaluation of MTBE and alternative oxygenates to the California Environmental Protection Agency and the Department of Health Services by May 1, 1998. Metropolitan provided testimony at a recent CEC workshop on the impacts of MTBE on ground and surface water supplies.

This new MTBE legislation focuses primarily on the problem of groundwater contamination and provides for greater protection and remediation of MTBE-contaminated groundwater supplies in California. In anticipation of possible legislative activity related to recreational boating and the use of two-stroke engines on drinking water supply reservoirs, Metropolitan staff are developing legislative policy principles on MTBE in surface water for consideration by the Board in December, 1997.

Metropolitan staff participated in an ACWA-sponsored two-day workshop on September 30 - October 1, 1997 in Sacramento to identify short- and long-term research needs on treatment to remove MTBE from drinking water. The workshop drew about 50 participants representing water utilities, regulatory agencies, consulting firms, academia, and oil companies who developed a list of 12 to 15 research areas that should be pursued both immediately and on a long-term basis to give water utilities the tools needed to remove MTBE from drinking water supplies. Mark Beuhler, Director of Water Quality, was appointed to head an ACWA/MTBE Water Caucus to determine the direction water utilities should pursue with respect to the research partnership.

EGD/CEA/ly

Attachments

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GOVERNOR'S OFFICE

WILSON SIGNS LEGISLATION TO ADDRESS HEALTH AND ENVIRONMENTAL CONCERNS ABOUT THE USE OF MTBE

Also Signs Bill to Prohibit Petroleum Delivery to Non-Complying Underground Storage Tanks

FOR IMMEDIATE RELEASE

Thursday, October 9, 1997

CONTACT: Sean Walsh
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SACRAMENTO – Governor Pete Wilson signed a package of bills to address several health and environmental concerns about the use of Methyl Tertiary Butyl Ether (MTBE) and other oxygenates in California's Cleaner Burning Gasoline. The Governor signed **SB 521 by Senator Richard Mountjoy (R-Arcadia), SB 1189 by Senator Tom Hayden (D-Los Angeles) and AB 592 by Assemblymember Sheila Kuehl (D-Encino)**. The Governor also signed **AB 1491 by Assemblymember Jim Cunneen (R-Campbell)** to prohibit delivery of petroleum to non-complying underground storage tanks.

“The U.S. Environmental Protection Agency failed to perform an extensive evaluation of MTBE before granting approval for its use as a gasoline additive,” Wilson said. “SB 521 provides for a comprehensive assessment of MTBE to address the issue of risk to human health and the environment. In addition, SB 1189 and AB 592 take important steps to protect our valuable drinking water supplies from contamination.”

SB 521 (Mountjoy) appropriates \$500,000 from the Motor Vehicle Fuel Account in the Transportation Tax Fund to the University of California for a study and assessment of MTBE, which must be submitted to the Governor by January, 1999. The bill requires the Governor to take prescribed actions based upon the information in the study and assessment, including certifying whether using MTBE in gasoline poses a risk to human health or the environment and requiring that MTBE no longer be sold or used in gasoline if such a certification is made. The legislation also provides that no water system or its customer is to be responsible for remediation or treatment costs of water contaminated by MTBE or a product containing MTBE.

Both SB 1189 (Hayden) and AB 592 (Kuehl) require the California Department of Health Services to adopt drinking water standards for MTBE. The bills also require the State Water Resources Control Board to update its database on leaking underground storage tanks and establish two pilot projects to map groundwater contamination. The Water Board is authorized to establish a program to provide financial assistance to owners of public drinking water supply sources that have been contaminated by an oxygenate such as MTBE.

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In addition, SB 1189 requires the Proposition 65 Panel to make a recommendation as to whether MTBE should be listed as a carcinogen. AB 592 appropriates \$469,000 from the California Hazardous Liquid Pipeline Safety Fund for the State Fire Marshal to develop a database of pipeline information, including pipeline location and age, that can be used for emergency response activities.

The Governor issued a signing message for SB 521, SB 1189 and AB 592 outlining additional actions necessary to ensure that the state is comprehensively addressing possible human and environmental health issues associated with the use of oxygenates.

The Governor also signed AB 1491 (Cunneen) to prohibit the delivery of petroleum products to underground storage tanks (USTs) which have not been upgraded or replaced by the December 22, 1998 state and federal deadline. The prohibition becomes effective on January 1, 1999. Upgrade requirements affect all tanks installed before 1984. The bill also allows the State Water Resources Control Board to reallocate funds that have been appropriated by the Legislature directly from the UST Cleanup Fund to pay claims that have been encumbered and issued a letter of credit but not expended by the State Water Board to another claimant.

“AB 1491 takes significant steps to eliminate the possibility of petroleum components entering our valuable groundwater supplies,” Wilson said. “The bill also sends a strong message urging compliance to tank owners and operators who may not have upgraded or replaced their tanks yet.”

These bills take effect on January 1, 1998.

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- **Attached is Governor Wilson’s signing message.**



GOVERNOR PETE WILSON
OCT 08 1997

To the Members of the California State Senate:

I have on this date signed three bills (SB 521, Mountjoy; AB 592 (Kuehl); and SB 1189 (Hayden) which address several health and environmental concerns about the use of MTBE and other oxygenates in California's Cleaner Burning Gasoline (CBG).

This package does not include either a review of the effectiveness of the 1998 state and federal standards for underground storage tanks (USTs) or an evaluation of surface water bodies serving drinking water sources. In addition there is a need to review the viability of alternative oxygenates.

To address these issues, I am requesting:

- A. The State Water Resources Control Board, not later than December 1, 1997, to convene an advisory panel of knowledgeable people, including representatives from industry, local governments, and water agencies, to:
 1. Review existing databases of UST contamination sites to determine if there is a leak history associated with UST systems meeting the 1998 federal and state standards; and if so, identifying appropriate measures that would assure the prevention and detection of oxygenate releases from retail marketing facilities.
 2. Evaluate refueling facilities and practices at marinas located on surface water bodies serving as drinking water sources, and identify if any further upgrades should be made to eliminate releases to the water body.

- B. By May 1, 1998, the California Energy Commission (CEC) shall submit to the Secretary of the California Environmental Protection Agency and the Director of the Department of Health Services an evaluation of MTBE and alternative oxygenates. The evaluation shall include:
 1. Alternative additives which could be used in lieu of MTBE;
 2. In conjunction with the Air Resources Board, the State Water Resources Control Board and the Department of Health Services the CEC shall review the relative air quality effects and potential environmental risks and benefits of alternative oxygenates and the present and future ability of alternative oxygenates.

These actions are necessary to ensure that we are comprehensively addressing possible human and environmental health issues associated with oxygenates.

Cordially,

A handwritten signature in black ink that reads "Pete Wilson".

PETE WILSON