Petroleum Products Program

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INFORMATION GUIDE

Introduction

The Petroleum Products Program maintains and enforces the minimum performance and drivability standards for most petroleum and automotive products (gasoline, gasoline/oxygenate blends, diesel fuel, motor oil, kerosene, brake fluid, automatic transmission fluid, engine coolant and gear oil) sold in California. Additionally, the Program regulates the advertising and labeling of these products. However, the Program **does not** regulate the cost of these products.

There are approximately 14.5 billion gallons of gasoline and 2.6 billion gallons of diesel fuel sold in California each year. Contaminated gasoline, diesel fuel and brake fluid represent major areas of concern for the Program. The marketplace is consistently monitored to ensure the quality of these products, as well as to assure the integrity of motor oils, gear oils, automatic transmission fluids, and engine coolants. The Program operates two laboratories in the State for the testing and analysis of routine and suspect samples. Products are removed from the marketplace and appropriate enforcement action taken when substandard products are found.

The Program is funded by a Motor Oil Fee of $0.04 per gallon, which is paid on each gallon of motor oil first produced or imported into California. Motor oil means any product used to lubricate the moving parts of a gasoline or diesel engine. The fees required under Sections 13430 and 13431 of the Business and Professions Code are not imposed on motor oil distributed to locations outside of California.

Where Can the Laws and Regulations be Found?

The laws relating to petroleum products were first enacted in 1931 and are found in the California Business and Professions Code, Division 5, Chapters 14 and 15. Regulations that further define and implement the laws are found in the California Code of Regulations, Title 4, Division 9, Chapters 6, 7, and 8. Violations of the petroleum laws are classified as misdemeanors and carry fines of up to $1,000 per violation and/or six months in the county jail.

Information for Business and Industry

The Petroleum Products Program seeks to provide customer confidence when purchasing petroleum and automotive products by ensuring uniformity, fairness and honest competition in the marketplace. This is done by eliminating false advertising and misrepresentation of prices and product quality.

The Division of Measurement Standards Investigators and Specialists work with county weights and measures officials to enforce California's petroleum and automotive products quality, quantity, advertising and labeling laws within the State. The Program also enforces the posting of signs relating to disabled drivers services and Air and Water equipment. The quality specifications enforced by the Division of Measurement Standards that are of most interest to the motoring public and consumers are:

Gasoline – octane number, distillation, water and sediment
Diesel Fuel – cetane number, distillation, flash point, water and sediment
Motor Oil – viscosity
Automatic Transmission Fluid – viscosity
Engine Coolant (antifreeze) – boiling point and freezing point
Brake Fluid – boiling point

Products that fail to meet the minimum quality specifications or labeling requirements are removed from sale and are not released back for sale until they are made to comply with applicable laws and regulations. When a product is removed from sale, it is illegal for it to be moved or disposed of without authorization from a weights and measures official.

It is illegal to mix new product with an off specification product in an attempt to bring the off specification product into compliance without authorization from a weights and measures official. It is also illegal to commingle products of different brands or grades for any reason.

Products are sampled by both open inspections and undercover purchases using specially adapted equipment and vehicles. Sampling occurs in retail stores, wholesale outlets, warehouses, and vehicle repair facilities.

Alternative fuels, for which California has not adopted specifications, are illegal to sell in California. There are procedures for obtaining a variance for developmental engine fuels that allow it to be sold to fleets while a consensus standard for the fuel is being developed.

Service stations are required to post the prices of the motor vehicle fuel that they sell. The signs must be visible to the motorist before entering the station to purchase fuel. Any conditions applicable to the sale of the fuel at the advertised price must also be on the advertising sign (i.e., full service or self service and cash price or credit price).

Violations of the petroleum and automotive product quality, advertising and labeling laws are misdemeanors. Violators can be issued a Notice of Violation or a citation. Additionally, a complaint may be filed with the district attorney against them for violations.

The Program is funded by a *motor oil fee* paid by the company that first produces the oil in California or the person or business that imports the oil into California.

The Division of Measurement Standards **does not** regulate the price of gasoline or diesel fuel. Questions about the price of fuel can be directed to the California Energy Commission at their website: www.energy.ca.gov, or to the industry trade associations such as the California Independent Oil Marketers Association at www.cioma.com or the Western States Petroleum Association at www.wspa.org.

Questions and Answers for Industry

The following information provides you with answers to frequently asked questions and should be used only as a guide and not considered to be a legal authority.

Who enforces the laws and regulations regarding petroleum products quality, advertising and labeling?

The Division of Measurement Standards and each County Office of Weights and Measures are jointly responsible for the enforcement of weights and measures laws and regulations in California.

How are the specifications for gasoline, diesel fuel, motor oil, gear oil, automatic transmission fluid, and engine coolants developed?

The State of California adopts by reference ASTM International and SAE International specifications for gasoline, diesel fuel, motor oil, gear oil, and engine coolants. Automatic transmission fluid standards are adopted from the automobile manufacturers' specifications.

How does the Petroleum Products Program test gasoline and diesel fuel to determine if they meet the quality specifications?

Samples received in the laboratory are tested using standardized procedures developed by ASTM International. The following tests are performed on the listed products:

Gasoline – octane number, distillation, water and sediment
Diesel Fuel – cetane number, distillation, flash point, water and sediment
Motor Oil – viscosity
Automatic Transmission Fluid – viscosity
Engine Coolant (antifreeze) – boiling point and freezing point
Brake Fluid – boiling point

What are the four basic requirements for gasoline and diesel fuel advertising signs?

All gasoline or other motor fuel price signs must include:

- The total price per gallon or liter including all taxes.
- The trademark or brand of the motor fuel.
- The word “gasoline” or the name of the other motor fuel.
- The grade designation of the motor fuel.

Is a disabled driver entitled to purchase gasoline at the self-serve price?

Yes. The disabled customer is entitled to get the gasoline at the self-serve price.

What does the Petroleum Products Program do when it finds products that do not meet the specifications?

After it is determined that the product does not meet specifications it is taken off sale and appropriate enforcement action is taken.

What are the penalties for selling products that do not meet specifications?

It is a misdemeanor, punishable by a fine of up to $1000, plus a penalty assessment and/or up to six months in the county jail.

How does a station advertise a discount for cash payment?

They post the price per gallon from which the reduction is to be taken, the amount of discount and the cash price. The condition of the discount cannot be less than one-third the size of the price numerals.

Can a station add a surcharge fee for the use of a credit card?

No. They cannot charge a surcharge according to the California Civil Code Section 1748.1(a).

Can a station charge a transaction fee for the use of a debit card?

Yes. However, the fee needs to be posted at the card reader.

Is a discount and a rebate or reward the same thing?

No. A discount indicates an immediate savings. A rebate or a reward are considered earned savings that are realized at a later time.

What is a card lock station?

A station not open to the general public where the seller and the buyer enter into a contract specifying the conditions of the sales of fuel.

Do card lock (CFN, Pacific Pride, etc.) and membership stores that do not accept major credit cards have to post price advertising signs?

No. They do not have to post advertising signs because they do not sell to people other than the ones entered into contract or members. If they were to accept major credit cards then they would not be considered card locks and would have to follow the advertising requirements as do the gasoline stations selling to the public.

As a station operator, is it acceptable to mix new product in my underground tanks with older product that does not meet specifications?

As a general rule, we do not recommend the mixing of new product with non-acceptable product because it is difficult to predict the outcome of the mixture.

Any product advertised must meet all requirements when dispensed.

What are the requirements for providing air and water to customers?

Gas stations are required to provide air and water free to customers who buy gasoline or diesel. You may have to ask the attendant for a token or to turn the equipment on for you. If the attendant does not give you a token or does not turn the equipment on, posted on or near the equipment is the 1-800-356-7057 number where you may call to file a complaint. You may also submit a Complaint Form online to the Division of Measurement Standards.

What is the Motor Oil Fee?

The Motor Oil Fee is imposed on the first production, sale, distribution or importation of motor oil in to California. For further information go to “Resource Information” on our website Motor Oil Fee.