

Routine Meter Maintenance

Why it's Important to Michigan's Gasoline Stations and Their Customers

Routine maintenance involves more than changing filters, replacing damaged hoses, mal-functioning nozzles and repairing leaks; it should also include verifying the accuracy of the meter itself (the calibration). Why is that important? Every year operators who've decided to forego verifying metering accuracy either find themselves dealing with lost revenues because their meters were "giving" product away or perhaps the meters were "shorting" their customers. The case against allowing the former circumstance to continue is fairly obvious, while the later circumstance may result in consumer complaints and possible regulatory intervention.

The Michigan Department of Agriculture and Rural Development's Weights and Measures Program has sole jurisdiction and statewide responsibilities for all commercial transactions involving products sold by weight, measure or count. Of the thousand plus consumer complaints investigated annually, approximately seventy-five percent involve retail gasoline outlets, and the majority of those, involve allegations of inaccurate measure. During a consumer complaint investigation or a field audit, non-compliant dispensers are condemned for repair or removed from service. Often times the operator must pay extra to get a service company to enact repairs immediately. Here we have both a loss of revenue and customer confidence.

The lack of "routine maintenance" has resulted in a specific type of violation, one that often results in enforcement action. What does it mean when you are told that your station is in violation because the dispensers are "predominantly negative"? Simply stated, more than fifty-percent of all dispensers or of one particular grade (Unleaded Regular for example) are delivering less than the quantity represented (short measure). The Michigan Weights and Measures Act of 1964, Act 283 as amended, sets the rules and regulations by which all a gasoline dispenser maybe installed, used and maintained. The National Institute of Standards and Technology, Handbook 44 contains the specifications, tolerances, and user requirements in which weighing and measuring devices are permitted to operate. For the typical retail gasoline dispenser the tolerance is + or - 6 cubic inches. One specific requirement enforced frequently because of the lack of routine maintenance is:

Maintenance of Equipment: (excerpt)... "Equipment in service at a single place of business found to be in error predominantly in a direction favorable to the device user shall not be considered "maintained in proper operating condition".

Penalties for such violations also include the economic benefit received during the period of the violations, which can range from hundreds of dollars to tens of thousands of dollars.

Many owners and operators of weighing and measuring devices contact the Office of Weights and Measures daily to seek guidance and technical information that may not only allow them to achieve and maintain compliance, but often the information assists in the improvement of ones business. In April of 2002, MDARD with the support and

encouragement of industry members worked with state legislatures to implement into law a "Voluntary Registration Program for Service Agencies and Persons". This program assists operators to better meet their service and maintenance needs by ensuring the technicians have the basic technical knowledge, as well as that of the state law. It also, ensures that the agency has certified equipment to accurately test devices in the field. Another advantage is that a "registered service person" can legally and immediately place a new device or a device condemned by a state official, into service. For detailed information regarding this program, including a list of registered agencies, along with other weights and measures information, please visit our website at www.michigan.gov/wminfo . The use of registered service personnel is strongly encouraged whenever, installing new devices or adjusting current calibrations.

Here we'll review some frequently asked questions related to the maintenance of equipment:

Q: I've never adjusted the meters since they were installed and had no idea that they were all delivering short. So I'm not responsible under the law, right?

A: Wrong. Under the law, the device owner/operator is responsible for the proper maintenance of all equipment, to ensure accurate measurement. The applicable "Criminal Penalties" can range from Misdemeanor Charges of \$10,000 per violation and or one year in prison; to Felony Charges of \$20,000 per violation and or one year in prison. The economic harm to consumers and the costs of the investigation may also, be assessed.

Q: I can't afford to have a service company test all of my dispensers, will the state do it for free?

A: No, anytime a firm requests a state inspection, applicable fees are assessed.

Q: I have a contract with a "Registered Service Agency", so they are responsible for any violations or penalties assessed?

A: Yes and No....First, the operator retains responsibility for the devices and any economic harm which may result from inaccurate meters. As to the registered service agency, they are liable for their actions under the law, and in certain circumstances may be the only party penalized for violations observed. Using a non-registered agency means the operator is responsible for the actions of all parties.

Q: I'm new to the petroleum industry and was not aware of my responsibilities under the law, will I receive a "warning" first?

A: Not necessarily, and unlikely when shortages are involved

Q: If I have my dispensers tested once or twice a year, am I likely to avoid a situation involving "predominantly negative" devices.

A: Yes, properly tested and adjusted meters will enhance your business and help you achieve and maintain compliance.

Q: Are there any records I should maintain in order to assist with weights and measures issues?

A: Definitely, maintaining good inventory records on site and all documents related to the installation or maintenance of equipment will prove invaluable when evaluating your operation.

The Weights and Measures Program and Staff take pride in taking a proactive approach when discussing the concerns of consumers and industry. Contact our office at 517-655-8202 with questions of a technical nature or anything related to your compliance needs and the service registration program.