

## UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

WASHINGTON, D.C. 20460

THE ADMINISTRATOR

SEP 0 9 2005

Governor Sonny Perdue Office of the Governor Georgia State Capitol Atlanta, GA 30334

Re:

Second Emergency Fuel Waiver Concerning Atlanta, Georgia

Gasoline Requirements

Dear Governor:

On August 31, 2005, and September 1, 2005, pursuant to Section 211(c)(4)(C) of the Clean Air Act (CAA), I waived the gasoline sulfur and Reid vapor pressure (RVP) requirements of Georgia's federally-approved state implementation plan (SIP) that covers the 45-county Atlanta market. See 67 Fed. Reg. 8200. This waiver, which expires at midnight on September 15, 2005, was issued because of gasoline shortages in Atlanta that result from Hurricane Katrina. On August 31, 2005, the Georgia Department of Natural Resources (GDNR) exercised its enforcement discretion with respect to enforcement of the state standards for Atlanta gasoline.

Today, the GDNR has informed EPA that the fuel shortages in Atlanta will continue until at least October 5, 2005. As a consequence, the GDNR has extended its enforcement discretion to allow the importation, distribution and sale of gasoline that does not meet the low sulfur requirements of Georgia's federally-enforceable SIP, and has requested that EPA likewise extend its waiver of these gasoline standards until midnight on October 5, 2005.

EPA, in consultation with the Department of Energy, has continued to evaluate the prospect of gasoline supply problems being experienced in the Atlanta, Georgia, area as a result of Hurricane Katrina. Based on this evaluation, I have determined that an "extreme and unusual fuel supply circumstance" will continue to exist after September 15, 2005, that prevents the distribution of an adequate supply of compliant gasoline to consumers in Atlanta. CAA § 211 (c)(4)(C). This fuel circumstance is the result of Hurricane Katrina, a natural disaster, that could not reasonably have been foreseen or prevented and is not attributable to a lack of prudent planning on the part of the suppliers of the fuel to Atlanta. Id. Furthermore, I have determined that it is in the public interest to grant this waiver. Therefore, to minimize or prevent problems with the supply of gasoline, I am today issuing this second waiver of the low sulfur requirement for the Atlanta area, effective upon expiration of the first waiver at midnight on September 15, through midnight on October 5, 2005. This waiver does not, however, change the requirement

that gasoline used in Atlanta must meet the federal gasoline sulfur requirements under 40 C.F.R. Part 80, subpart H. We recognize the benefits of the Atlanta low sulfur fuel requirements, however under current circumstances I believe that the sale and distribution of gasoline meeting federal sulfur requirements is in the public interest. Regulated parties, including pipelines, terminals, distributors, retailers and wholesale-purchaser consumers that receive fuel under the terms of this waiver may continue selling or dispensing this fuel after October 5, 2005, until their supplies are depleted.

To the extent practicable, regulated parties must take all reasonable steps to distribute and sell on-hand inventories of gasoline that meets the low sulfur requirements of Georgia's federally-enforceable SIP. Thus, regulated parties that distribute and sell gasoline must use gasoline that would meet the normal standards and that is available, before using any fuel covered under this waiver.

If you have questions please call me, or your staff may call Adam M. Kushner at 202-564-2260.

Sincerely,

Secretary Samuel W. Bodman, Department of Energy

cc: