

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY WASHINGTON, D.C. 20460

SEP 1 3 2005

THE ADMINISTRATOR

Governor Janet Napolitano Office of the Governor State Capital 1700 West Washington Phoenix, Arizona 85007

Re: Fuel Waiver for Phoenix, Arizona's RVP season

Dear Governor:

I am writing in response to the September 9, 2005 letter of Mr. Stephen A. Owens, Director of the Arizona Department of Environmental Quality (ADEQ), in which he requests that the United States Environmental Protection Agency (EPA) waive the summertime gasoline Reid vapor pressure (RVP) requirements in the Arizona State Implementation Plan (SIP) for Phoenix until the end of Phoenix's summer gasoline RVP season. As you know, on August 31, 2005, I issued a nationwide waiver from the requirement to sell summer gasoline, until September 15, 2005. However, Arizona's SIP requires that low RVP summer gasoline to be sold until September 30, 2005 in the Phoenix area. 62 Fed. Reg 31,734 (June 11, 1997). Thus, under the current waiver, supplies of gasoline must revert back to the low RVP after September 15, 2005, unless EPA issues a waiver.

EPA, in consultation with the Department of Energy, has continued to evaluate the prospect of fuel supply problems 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 the Phoenix area. 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 gasoline. Id. Furthermore, I have determined that it is in the public interest to grant this waiver.

Accordingly, to minimize or prevent problems with the supply of gasoline, I am issuing this waiver of Arizona's SIP requirements for summertime RVP gasoline for Phoenix, Arizona. This waiver is effective beginning on September 16, 2005, and will remain in effect through 11:59 PM on September 30, 2005.

To the extent practicable, regulated parties must take all reasonable steps to distribute and sell on-hand inventories of gasoline that meets the low RVP requirements of Arizona's SIP. Thus, regulated parties that distribute and sell gasoline must use fuel that would otherwise meet the federal SIP 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: