

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

SEP 2 7 2005

THE ADMINISTRATOR

Gov. Matt Blunt Office of the Governor Room 216, State Capitol Building Jefferson City MO 65101

Re: Fuel Waiver Concerning St. Louis RFG Covered Area

Dear Governor:

The Missouri Department of Natural Resources (MDNR) has informed the United States Environmental Protection Agency (EPA) that gasoline supply shortages are likely in the St. Louis, Missouri reformulated gasoline (RFG) covered area due to the temporary shutdown of refineries and pipelines serving this area in response to Hurricane Rita, and has requested that EPA waive the RFG standards for the St. Louis RFG covered area. The St. Louis RFG covered area includes the City of St. Louis, St. Louis County, Franklin County, Jefferson County, and St. Charles County. 64 Fed. Reg. 10365 (March 3, 1999).

EPA, in consultation with the Department of Energy and MDNR, continues to evaluate the prospect of gasoline supply problems being experienced as a result of Hurricane Rita. Based on this evaluation, I have determined that an "extreme and unusual fuel supply circumstance" exists that will prevent the distribution of an adequate supply of RFG to the St. Louis RFG covered area. CAA §211(c)(4)(C). This fuel circumstance is the result of Hurricane Rita, 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 this area. Id. Furthermore, I have determined that it is in the public interest to grant this waiver.

We recognize the environmental benefits of the RFG program. However, in order to minimize or prevent problems with the supply of gasoline, I am today issuing this waiver of the RFG requirements for the St. Louis RFG covered area until midnight on October 7, 2005. Thus, EPA will allow regulated parties to distribute and sell conventional gasoline (CG) in the St. Louis RFG covered area.

After October 7th, regulated parties may not introduce CG into terminal storage tanks from which gasoline is dispensed into trucks for distribution to retail outlets in the St. Louis RFG covered area. However, no later than November 6th, the gasoline dispensed from such terminal tanks for distribution and sale in the St. Louis RFG covered area must meet all RFG standards.

Retailers and wholesale purchaser-consumers may continue selling or dispensing CG in the St. Louis RFG covered area until their supplies are depleted.

Pursuant to this waiver regulated parties may commingle CG with RFG (e.g., in terminal storage tanks). However, to the extent practicable and consistent with supplying market demands for gasoline (e.g., where tankage is available), regulated parties should take steps to segregate and supply gasoline that meets the RFG regulations. In addition refiners and importers that provide CG to the St. Louis RFG covered area pursuant to this waiver should exclude the waiver gasoline from their annual average compliance calculations under 40 C.F.R. § 80.67.

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

Sincerely

Cc: Secretary Samuel W. Bodman, Department of Energy