Regulatory Announcement

# Direct Final Rulemaking Revising Mobile Source Air Toxics Early Credit Technology Requirement

**The U.S. Environmental Protection Agency (EPA) is issuing a direct final rulemaking to revise the February 26, 2007 mobile source air toxics rule's requirements that specify the benzene control technologies that qualify a refiner to generate early benzene credits. The 2007 rule allows four benzene-reducing operational or technological changes to fulfill the early credit technological requirement. This action will add another specific benzene control technology, benzene alkylation. This action also includes a general provision that allows a refiner to submit a request to EPA to approve other benzene-reducing operational changes or technologies for the purpose of generating early credits.**

## Background

The Mobile Source Air Toxics rule, published on February 26, 2007, requires that refiners and importers produce gasoline that has an annual average benzene content of 0.62 volume percent (vol%) or less, beginning in 2011. The rule also requires that no refiner or importer have an actual average gasoline benzene level greater than 1.3 vol%. After achieving an actual annual average benzene level of 1.3 vol%, refiners and importers may use benzene credits to reduce their average benzene level to 0.62 vol%.

Refiners may generate benzene credits for their own use or to sell to others, in two ways. Once the program begins in 2011, a refiner generates credits (known as standard credits) when its average annual gasoline benzene level is less than 0.62 vol%. (Importers can also generate standard credits.) Refiners may also generate credits prior to 2011. These credits are called early credits. In order to generate early credits, a refinery must meet several requirements:

1. Establish a benzene baseline based on the average benzene level of the gasoline produced at the refinery during the two-year period 2004-05.

EPA United States Environmental Protection Agency

Office of Transportation and Air Quality

EPA420-F-08-007

February 2008

2. Make operational changes or improvements in benzene control technology that will result in real benzene reductions.

3. Achieve an annual average benzene level at least 10% lower than its baseline level.

In the 2007 final rule, we specified four types of operational changes and benzene control technology improvements that would allow a refinery to qualify for generating early credits if it also met other related requirements. These operational changes and technology improvements are:

1. Treating the heavy straight run naphtha entering the reformer using light naphtha splitting and/or isomerization.

2. Treating the reformate stream exiting the reformer using benzene extraction or benzene saturation.

3. Directing additional refinery streams to the reformer for treatment as described in 1) and 2) above.

4. Directing reformate streams to other refineries with treatment capabilities as described in 2) above.

We included in this list all the strategies we thought would reduce benzene and be cost-effective. The provision was intended to not allow early credit generation solely by benzene reductions achieved through ethanol blending. The final rule did not provide a way for EPA to consider alternative means of reducing benzene, no matter how efficacious the alternative might be. Soon after the rule was finalized, it came to our attention that at least one refinery had plans to install benzene alkylation technology. Although EPA regards benzene alkylation as a legitimate benzene reduction technology, we did not expect it to be used.

Today's action revises the 2007 rule to include benzene alkylation in the list of acceptable reduction operational and technological strategies. We have also included a general provision that would allow a refiner to petition EPA to use an operational or technological change that is not listed in the regulation for the purpose of generating early credits.

## How to Comment

This rule is being released as Direct Final Rule because we view it as a non-controversial action and anticipate no adverse comment. However, comments can be submitted under a parallel Notice of Proposed Rulemaking. Comments will be accepted for 30 days beginning when this proposal is published in the Federal Register. All comments should be identified by Docket ID No. EPA-HQ-OAR-2005-0036 and submitted by one of the following methods:

www.regulations.gov Follow the on-line instructions for submitting comments.
Fax: 202-566-9744.
Mail: EPA-HQ-2005-0036
Environmental Protection Agency
Mailcode: 2822T
1200 Pennsylvania Ave. NW.
Washington, DC 20460

Hand Delivery: EPA Docket Center (EPA/DC)
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Room 3334 West Building
1301 Constitution Ave., NW.
Washington, DC 20004

Such deliveries are only accepted during the Docket's normal hours of operation, and special arrangements should be made for deliveries of boxed information.

## For More Information

You can access documents on this rulemaking on EPA's Office of Transportation and Air Quality Web site at: www.epa.gov/otaq/toxics.htm or contact:

Assessment and Standards Division
U.S. Environmental Protection Agency
Office of Transportation and Air Quality
2000 Traverwood Drive
Ann Arbor, MI 48105

Voicemail: 734-214-4636
E-mail: asdinfo@epa.gov