



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

AUG 22 2008

THE ADMINISTRATOR

The Honorable Charlie Crist
Governor
State of Florida
400 S. Monroe Street
Tallahassee, FL 32399-0001

Re: August 2008 Fuel Waiver Concerning Duval County

Dear Governor Crist:

This is in response to the August 21, 2008, request for a waiver under the Clean Air Act (CAA) made on your behalf by the Florida Department of Environmental Protection's Director of Air Resource Management, Joseph Kahn. The letter requests that the U.S. Environmental Protection Agency waive the federal gasoline volatility requirements for Duval County as the result of the disruption in the supply of fuel caused by Tropical Storm Fay. As you know, regulations promulgated under the Clean Air Act require gasoline sold in Duval County to have maximum Reid Vapor Pressure (RVP) of 7.8 pounds per square inch (psi) during the "high ozone" season, through September 15, 2008. *See* 40 C.F.R. § 80.27. EPA has determined, and the Department of Energy (DOE) concurs, that it is necessary to take action to minimize or prevent disruption of Florida's gasoline supply. By this letter, I am granting a waiver to Florida, as described below.

EPA, in consultation with the United States Department of Energy, has evaluated the gasoline supply problems in this area of Florida as a result of Tropical Storm Fay. The closure of the Jacksonville port to incoming sea vessels beginning Tuesday, August 19 has halted the delivery of new supplies of 7.8 psi RVP gasoline to the area, and alternative sources of 7.8 psi RVP gasoline are not currently available. The port remains closed, and will not re-open in time to avoid shortages of compliant gasoline at terminals and retail outlets in Duval County. Gasoline terminals serving Duval County have also experienced flooding, power outages and other storm damage; this may affect supply and distribution of compliant gasoline even after the port re-opens. Based upon this evaluation, and with DOE's concurrence, EPA has decided that it is necessary to take the following action to minimize or prevent disruption of gasoline supplies to this area.

I have determined that "extreme and unusual fuel . . . supply circumstances" exist that will prevent the distribution of an adequate supply of gasoline to consumers in Duval County, Florida. CAA § 211(c)(4)(C)(ii)(I), 42 U.S.C. § 7545(c)(4)(C)(ii)(I). This extreme and unusual fuel supply circumstance is the result of Tropical Storm Fay, 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 suppliers of the fuel to this area. CAA § 211(c)(4)(C)(ii)(II), 42 U.S.C. § 7545(c)(4)(C)(ii)(II). Furthermore, I have determined that it is in the public interest to grant this waiver and that this waiver applies to the smallest geographic area necessary to address the fuel supply circumstances. CAA § 211(c)(4)(C)(ii)(III) and (iii)(I), 42 U.S.C. § 7545(c)(4)(C)(ii)(III) and (iii)(I).

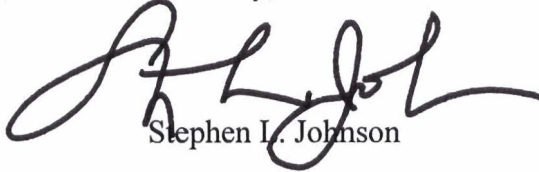
Therefore, to minimize or prevent problems with the supply of gasoline, I am today issuing this waiver of the 7.8 psi RVP requirement for Duval County. This waiver is effective immediately and will continue through midnight on August 27, 2008. This temporary waiver will allow regulated parties to distribute and sell conventional gasoline with an RVP of 9.0 psi in Duval County instead of the required 7.8 psi.

After August 27, 2008, regulated parties may not introduce gasoline that does not meet the 7.8 psi RVP requirement of 40 C.F.R. § 80.27 into terminal storage tanks from which gasoline is dispensed into trucks for distribution to retail outlets in Duval County. In addition, the gasoline dispensed from terminal tanks for distribution and sale in Duval County also must meet the 7.8 psi RVP requirement of 40 C.F.R. § 80.27 by this date. Retailers and wholesale purchaser-consumers may continue selling or dispensing gasoline that meets the 9.0 psi RVP standard until their supplies are depleted.

EPA and DOE will continue to monitor the fuel supply situation in Florida. We at EPA recognize the benefits of the federal 7.8 psi RVP requirement in Duval County. Therefore, 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 lower 7.8 psi RVP requirement prior to distributing gasoline meeting the 9.0 psi RVP requirement under this waiver.

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

Sincerely,



Stephen L. Johnson

cc: The Honorable Samuel W. Bodman, Secretary of Energy