



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

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OFFICE OF  
ENFORCEMENT AND  
COMPLIANCE ASSURANCE

Mr. Urvan Sternfels  
President  
National Petroleum Refiners Association  
Suite 1000  
1899 L Street, N.W.  
Washington, D.C. 20036

Dear Mr. Sternfels:

My letter of March 26, 1998, announced that for 1998 only the Environmental Protection Agency (EPA) would give a limited no action assurance for the VOC emissions performance standard under the reformulated gasoline (RFG) program. Today's letter extends this no action assurance until further notice. EPA will review continuation of the no action assurance following completion of two VOC-controlled periods of Phase II of the complex model.

Under § 80.41(d) of the RFG regulations, the minimum per-gallon VOC emissions performance reduction standards are 32.6% and 13.1% for RFG used in VOC Control Regions 1 and 2, respectively, for Phase I of the complex model. Under Phase II of the complex model, the minimum per-gallon VOC emissions performance reduction standards are 25.0% and 23.4% for RFG used in VOC Control Regions 1 and 2, respectively. As a result, RFG must meet these minimum standards at all points in the gasoline distribution system from the refinery through the retail outlet. However, EPA will continue to implement a no action assurance for RFG that is no more than 2% below these minimums in the case of gasoline found at locations downstream of the refinery level.

Thus, for the 1999 high ozone season, EPA will consider gasoline downstream of the refinery to have met the applicable VOC emissions performance standard if the emissions performance is 30.6% or 11.1% reduction for RFG used in VOC Control Regions 1 or 2, respectively. Beginning with the year 2000 high ozone season, EPA will consider gasoline downstream of the refinery to have met the applicable VOC emissions performance standard if the emissions performance is 23.0% or 21.4% for RFG used in VOC Control Regions 1 or 2, respectively. This is true regardless of whether the testing is conducted by EPA or by a regulated party.

EPA will continue the policy, described in my letter of March 26, 1998, of not implementing the no action assurance when gasoline is produced at a refinery or is imported by an

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importer. This applies regardless of whether testing is conducted by the refiner or importer, or an independent laboratory, and to gasoline samples analyzed by EPA, including samples collected by EPA at the refinery/import facility and to samples retained by the regulated party and subsequently tested by EPA.

In addition, EPA will continue the policy, also described in my letter of March 26, 1998, of not applying the VOC emissions performance enforcement no action assurance for downstream parties (other than retailers) when they are blending non-VOC controlled RFG with VOC controlled RFG.

EPA believes this limited VOC no action assurance provides significant assistance to refiners in their desire to produce and ship RFG that meets the VOC emissions reduction standard, but that minimizes the degree of over-compliance necessary to prevent violations detected downstream of the refinery caused by testing variability. However, EPA also believes the limited nature of the no action assurance continues to create an incentive for refiners and other regulated parties to work to further minimize testing variability for parameters relevant to RFG's standards.

If you have any questions, you may call George Lawrence, Chief of the Mobile Source Enforcement Branch, at (202) 564-1307.

Sincerely,

  
Steven A. Herman  
Assistant Administrator