

Modification of Fuels Regulations Regarding Baselines for Conventional Gasoline Produced or Imported for Use in Hawaii, Alaska, and U.S. Territories

The U.S. Environmental Protection Agency is finalizing modifications to fuels regulations to allow refiners and importers of conventional gasoline produced or imported for use in Hawaii, Alaska, Puerto Rico, and the U.S. Virgin Islands to petition EPA to change the way in which they calculate emissions from such gasoline. These calculations are for purposes of demonstrating compliance with the Reformulated Gasoline (RFG) program's anti-dumping requirements and the toxics emissions performance requirements under the Mobile Source Air Toxics program. We are taking this action to address certain inconsistencies in the regulations. These inconsistencies might have the effect of requiring these refiners and importers to produce or import gasoline that is cleaner than that required under the Clean Air Act and that is required of refiners and importers of gasoline produced or imported for use in other parts of the country.

Background

The Clean Air Act requires EPA to establish rules requiring that gasoline sold in certain areas be reformulated to reduce vehicle emissions of toxic and ozone-forming compounds. The law also requires EPA to establish rules that would ensure that non-RFG, known as "conventional gasoline," used in the rest of the country does not create more pollutants than gasoline produced or imported in 1990. EPA published regulations for the certification and enforcement of RFG, and regulations for conventional gasoline, in February 1994. In March 2001, EPA published the MSAT rule, which placed additional controls on air-toxics emissions for all gasoline.

This final rule modifies the 1994 anti-dumping and 2001 MSAT regulations to allow refiners and importers that produce or import conventional gasoline for use in Hawaii, Alaska, Puerto Rico, and the U.S. Virgin Islands to change the way that they calculate emissions from such gasoline for purposes of figuring their anti-dumping

and MSAT baselines and evaluating annual average emissions. Under the current regulations, in certain situations, refiners and importers that produce or import conventional gasoline for use in these areas are required to comply with a baseline emissions standard that was calculated using a different model than that required for calculating annual average emissions. As a result, some conventional gasoline produced or imported for use in these areas is subject to an inappropriate standard. This final rule addresses this inconsistency by allowing these refiners and importers the option to change their baselines to ones that were calculated using the same model as that required for tabulating annual average emissions.

How will the regulations affect industry?

This final rule provides an alternative compliance method for refiners and importers of conventional gasoline produced or imported for use in Hawaii, Alaska, Puerto Rico, and the U.S. Virgin Islands that, under the current regulations, are required to produce or import gasoline that is actually cleaner than that required under the Clean Air Act. This rule will result in lower compliance costs and greater flexibility for these companies.

What are the health and environmental benefits?

This final rule provides an alternative compliance method for affected parties without compromising the environmental goals of the RFG program. Under this rule, even if all of the affected parties choose the new compliance method, the goals of the RFG program's anti-dumping regulations and the toxics emissions performance requirements under the MSAT rule would be met.

Where can I find more information?

You can access documents related to the RFG anti-dumping provisions at:

www.epa.gov/otaq/rfg_regs.htm

and the toxics performance provisions at:

www.epa.gov/otaq/toxics.htm

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