

DOWNSTREAM TRANSITION TO PHASE II RFG

7/1/99

Beginning on January 1, 2000, the Phase II complex model standards at 40 CFR 80.41(e) and (f) will apply to all RFG in the gasoline distribution system. Refiners/importers are required to use the Phase I model for gasoline produced/imported prior to midnight, 12/31/99; and the Phase II model for gasoline produced/imported subsequent to that time. EPA has been asked to address the issues that may affect downstream parties during the transition to these Phase II standards. For the reasons discussed below, we believe that the transition to the Phase II standards generally should not raise any significant issues for downstream parties.

The RFG regulations specify Phase I and Phase II complex model standards for oxygen and benzene content, and VOC, NO_x and toxics emissions performance. The regulations also specify downstream standards for oxygen and benzene content, and VOC emissions performance. There are no downstream standards for NO_x and toxics emissions performance.¹ The downstream standards for oxygen and benzene content are the same for Phase I and Phase II RFG.

Beginning on January 1, 2000, in most situations, RFG downstream of the refinery/importer will be a combination of Phase I and Phase II gasoline as a result of the transition to Phase II and the fungible mixing of RFG that occurs. RFG will continue to be a mixture of Phase I and Phase II gasoline until Phase II RFG displaces Phase I RFG in the system. Because the downstream standards for oxygen and benzene content are the same for Phase I and Phase II RFG, and because there are no downstream standards for NO_x and toxics, the transition to the Phase II standards for these parameters will not affect downstream parties. The downstream standard for VOC emissions performance will be different for Phase II RFG. However, we do not believe the change in the downstream VOC standard will present an enforcement issue for downstream parties, since the VOC standard does not apply at downstream locations until May 1, 2000, or in the case of retail level facilities, June 1, 2000. Based on our experience with the transition from simple model RFG to Phase I complex model RFG in 1995, and the annual transition from non-VOC controlled to VOC controlled RFG each spring, we believe the period between January 1, 2000, and May 1, 2000, will provide adequate time for the gasoline distribution system to complete the transition to Phase II RFG.

Transition issues associated with the retail station gasoline survey requirement will be resolved as the survey plan is submitted and approved by EPA. In short, these issues concern the planning and interpretation of surveys of retail station gasoline quality during the first part of

¹The final RFG rule, published on February 16, 1994 (59 FR 7716), included complex model downstream standards for NO_x. These standards were deleted on December 31, 1997 (62 FR 68196).

2000 when Phase 1 and Phase 2 RFG will be commingled in retail gasoline station tanks. The survey plan for 2000 is being developed by the RFG Survey Association and is required to be submitted to the Agency by September 15, 1999. These issues do not directly impact downstream parties such as retail stations and it is likely that resolution of these issues will be similar to the resolution reached during the transition from simple model to complex model RFG in 1998. Parties interested in survey issues are likely those parties who are members of the RFG Survey Association and will be kept abreast of these issues as the survey plan is developed by the Association and approved by EPA.