

E. SCOTT PRUITT Administrator

October 27, 2017

The Honorable Ricardo Rosselló Governor of Puerto Rico La Fortaleza P.O. Box 9020082 San Juan, Puerto Rico 00902

Re: Second October 2017 Diesel Fuel Waiver Concerning the Commonwealth of Puerto Rico

Dear Governor Rosselló:

On October 11, 2017, following the damage caused by Hurricane Maria, I waived certain requirements of the Clean Air Act (CAA) to allow the sale, distribution, and use of high sulfur heating oil and marine fuel designated for use in Emission Control Areas (ECA marine fuel) in generators and pumps for emergency purposes. I have received a new request for a waiver under the CAA made on your behalf to continue to allow the sale, distribution, and use of high sulfur heating oil and ECA marine fuel in mobile nonroad generators or pumps used for emergency purposes. As you know, regulations promulgated under the CAA require the use of Ultra Low Sulfur Diesel (ULSD) fuel meeting 15 parts per million (ppm) sulfur specifications in mobile nonroad diesel engines. The widespread flooding and damage to infrastructure caused by Hurricane Maria have resulted in a shortage of ULSD fuel in Puerto Rico, and have caused massive and persistent damage to Puerto Rico's power grid. Also, Palo Seco and San Juan power plants have had issues coming back online recently. Furthermore, Puerto Rico's power grid still remains severely restricted and approximately 74% of customers still do not have power and only 35 of 78 municipalities are partially energized or have energized facilities.

The U.S. Environmental Protection Agency (EPA), in consultation with the U.S. Department of Energy (DOE), has evaluated the impact of fuel supplies as the result of disruptions to the fuel distribution system. Based on this evaluation, the EPA has determined, and DOE concurs, that it is necessary to take the following action to minimize or prevent disruption of the supply of diesel fuel to these areas.

I have determined that an "extreme and unusual fuel [] supply circumstance" exists that will prevent the distribution of an adequate supply of ULSD fuel for use in mobile nonroad generators and pumps used for emergency purposes in Puerto Rico. CAA § 211(c)(4)(C)(ii)(I),

42 U.S.C. § 7545(c)(4)(C)(ii)(I). This extreme and unusual fuel circumstance is the result of Hurricane Maria, 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 these areas. 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 disruptions with the supply of ULSD fuel for mobile nonroad generators and pumps used for emergency purposes, I am today issuing this limited waiver of the diesel sulfur standards. Under this waiver, the EPA will allow parties in Puerto Rico to sell, distribute and use heating oil and ECA marine fuel that exceeds the 15 ppm standard set forth at 40 C.F.R. § 80.510(c)(1) under the following limited conditions:

- 1. The non-ULSD fuel is used in a model year 2010 or older mobile nonroad diesel generator or pump, or any model year mobile nonroad diesel generator or pump above 750 horsepower, that is being used for emergency purposes.
- 2. ULSD fuel is not reasonably available for use in the mobile nonroad diesel generator or pump.
- 3. The non-ULSD fuel is not used in any model year mobile nonroad diesel generator or pump that has been retrofitted with diesel particulate filter technology.
- 4. The non-ULSD fuel used under this waiver remains segregated from ULSD fuel until the ULSD fuel is used in the mobile nonroad generator or pump.

WARNING: USE OF DIESEL FUEL EXCEEDING THE 15 PPM SULFUR STANDARD IN ANY ENGINE EQUIPPED WITH A DIESEL PARTICULATE FILTER MAY CAUSE SERIOUS DAMAGE TO THE ENGINE AND ITS EMISSIONS CONTROL COMPONENTS.

The EPA encourages engine owners and operators to contact the engine manufacturers or distributors to determine if any special maintenance practices should be adopted while operating on high sulfur fuel (e.g., a shortened oil change interval).

This waiver is effective immediately and will continue through November 15, 2017. Any non-ULSD fuel authorized under this waiver and remaining in a mobile nonroad generator or pump after November 15, 2017, may continue to be used until the fuel has been consumed.

The EPA will continue to work with the DOE and Puerto Rico to monitor the impact of Hurricane Maria on the fuel supply situation. Should conditions warrant, this waiver may be modified, terminated or extended, as appropriate. If you have questions you may call me, or your staff may call Phillip Brooks at (202) 564-0652.

Respectfully yours,

cc: The Honorable Rick Perry, Secretary of Energy