

WASHINGTON, D.C. 20460

June 12, 2019

THE ADMINISTRATOR

Dr. Karen Hacker, Director Allegheny County Health Department 301 39th Street, Building #7 Pittsburgh, Pennsylvania 15201

Re: June 12, 2019 Fuel Waiver Concerning Low Volatility Gasoline in Allegheny County, Pennsylvania

Dear Dr. Hacker:

On May 29, 2019, due to damage to the Buckeye Laurel Pipeline, I waived requirements of the Clean Air Act (CAA) related to the sale of 7.8 pounds per square inch (psi) Reid Vapor Pressure (RVP) gasoline and reformulated gasoline (RFG) commingling requirements for Allegheny County, Pennsylvania. On June 12, 2019, I received your new request, made in coordination with Pennsylvania's Department of Environmental Protection, to waive the federal low volatility gasoline requirements under the CAA to address a fuel supply emergency caused by a failure in the Buckeye Laurel Pipeline. In response to this request, the U.S. Environmental Protection Agency as determined, and the U.S. Department of Energy (DOE) concurs, that it is necessary to take action to minimize or prevent the disruption of an adequate supply of gasoline to Allegheny County, Pennsylvania.

As you know, gasoline sold in Allegheny County must not exceed a maximum RVP of 7.8 psi during the summer season. This requirement is codified as part of the federally-approved Pennsylvania State Implementation Plan (SIP), see 40 C.F.R. § 52.2020(c); see also 63 Fed. Reg. 31,116 (June 8, 1998) and 66 Fed. Reg. 19,724 (Apr. 17, 2001), and applies to refiners, importers, distributors, resellers, terminal owners and operators, and carriers beginning on May 1 and to retailers and wholesale purchaser-consumers beginning on June 1. Additionally, the RFG regulations at 40 C.F.R. § 80.78(a)(7) prohibit any person from combining any reformulated blendstock for oxygenate blending (RBOB) with any other gasoline, blendstock, or oxygenate, except for the oxygenate of the type and amount specified by the refiner that produced the RBOB. RBOB is combined with its specified oxygenate to produce RFG.

I have determined that an "extreme and unusual fuel [] supply circumstance" exists that will prevent the distribution of an adequate supply of gasoline to consumers. 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 a failure in the Buckeye Laurel Pipeline, an event 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). The Buckeye Laurel Pipeline supplies the majority of compliant fuel, which includes RFG, into the Allegheny County area through three terminals. The two major terminals have run out of compliant fuel and the pipeline failure is preventing resupply.

The third terminal cited in the May 29, 2019, waiver is taking deliveries, but has insufficient capacity to provide an adequate supply of gasoline to the Allegheny County market. Other sources of compliant fuel are currently unavailable for distribution into Allegheny County. 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).

The EPA, in consultation with DOE, has evaluated the impact of the disruption of the fuel distribution system on fuel supplies to Allegheny County, Pennsylvania. Based on this evaluation, the EPA has determined, and DOE concurs, that it is necessary to take action to minimize or prevent further disruption of an adequate supply of gasoline to consumers in this area.

Therefore, to minimize or prevent problems with the supply of gasoline, I am issuing this waiver of the federal 7.8 psi RVP requirement codified in the federally-approved SIP for Allegheny County, Pennsylvania. This waiver allows the sale of gasoline in Allegheny County that meets the 9.0 psi RVP standard applicable in other parts of Pennsylvania. Additionally, I am waiving the provisions at 40 C.F.R. § 80.78(a)(7) that prohibit any person from combining any RBOB with any other gasoline, blendstock, or oxygenate, unless certain conditions are met. These waivers apply only to Allegheny County, Pennsylvania, are effective immediately, and continue until midnight on July 1, 2019.

Gasoline distributed under this waiver may not be introduced into terminal storage tanks from which gasoline is dispensed into trucks for distribution to retail outlets in Allegheny County after July 1, 2019. Any gasoline distributed under this waiver that is stored in terminal storage tanks for distribution to retail outlets and wholesale purchaser-consumers in Allegheny County, Pennsylvania may be distributed and sold in these areas after July 1, 2019, until the supply is depleted. Likewise, retailers and wholesale purchaser-consumers in Allegheny County, Pennsylvania may continue selling or dispensing gasoline that meets the conditions of this waiver after July 1, 2019, until their supplies are depleted.

This waiver only applies to the applicable federal requirements cited above for the designated areas. Other state or local requirements or restrictions related to this matter may need to be addressed by the appropriate authorities. 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.

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Andrew R Wheeler

cc: The Honorable Rick Perry, Secretary of Energy Patrick McDonnell, Secretary, Pennsylvania Department of Environmental Protection