

May 28, 1997

FACT SHEET

FINAL RULE TO INCLUDE THE PHOENIX ARIZONA OZONE NONATTAIMENT AREA IN THE FEDERAL REFORMULATED GASOLINE PROGRAM

TODAY'S ACTION

EPA is issuing a final rule today to revise the reformulated gasoline (RFG) regulations to include the Phoenix, Arizona moderate ozone nonattainment area in the federal RFG Program. Today's action requires that retail stations sell federal RFG Phase I in the Phoenix area within 30 days of the effective date of the final rule. (Approximately August 3)

BACKGROUND

Section 211(k) of the Clean Air Act (Act) requires EPA to establish standards for RFG to be used in specified ozone nonattainment areas. The Act also provides that ozone nonattainment areas classified as marginal, moderate, serious or severe, may be included in the RFG program upon application of the Governor of the state in which the area is located. [Section 211(k)(6) (the "opt-in" provision)]. EPA is required to establish an implementation date for the area to be included in the program within a year of the governor's request.

Phoenix, Arizona is currently classified as a moderate ozone nonattainment area. The Phoenix area continues to exceed the National Ambient Air Quality Standards (NAAQS) for ozone and faces the possibility of being "bumped up" to a serious classification. In order to address these concerns and identify the best possible options for addressing the area's air quality problems, the State convened a task force which included the State Department of Environmental Quality as well as both industry and environmental representatives. The Task Force identified several options and ultimately decided to support the use of Federal RFG Phase I gasoline.

On January 17, 1997, EPA received a letter from Governor Symington of Arizona officially requesting that the Phoenix area be included in the federal RFG Phase I program. The Governor requested that EPA require that refiners provide RFG by June 1997. On February 18, 1997, EPA issued a Direct Final Rule and a Notice of Proposed Rulemaking to set an effective date for the Phoenix ozone nonattainment area to be a covered area in the federal reformulated gasoline (RFG).

After publication of the direct final rule and the proposed rule

in the Federal Register , EPA received several requests for a hearing. EPA published a Notice of a Hearing in the Federal Register on March 12, 1997. The hearing was held in Phoenix, Arizona on March 18, and the public comment period was open through April 17, 1997. Since EPA received a request for a hearing, as stipulated in the direct final rule, EPA withdrew the direct final rule, effective upon signature by the Administrator on March 31 and published on April 4.

WHAT ARE THE HEALTH AND ENVIRONMENTAL BENEFITS?

RFG protects health and the environment by reducing harmful vehicle emissions of ozone (smog)-forming compounds and air toxics. Today's action will expand the federal program to include the Phoenix ozone nonattainment area and thereby provide these benefits to the citizens of Phoenix. These benefits are all an important part of the area's air quality plan and provide needed additional emission reduction benefits to help the area reach attainment of the ozone NAAQS. The Arizona Governor's Task Force estimated that if federal RFG were required to be sold in Phoenix, VOC emissions would be be cut by more than nine tons/day.

WHO WILL BE AFFECTED BY THE REGULATION?

This action will provide important cost effective health and environmental benefits to the citizens of Phoenix by significantly reducing the levels of harmful ozone-causing pollutants and toxic air emissions.

HOW WILL THE REGULATION AFFECT INDUSTRY?

Refiners, importers and oxygenate blenders who produce or import RFG for use in the Phoenix ozone nonattainment area as a result of this action will be subject to the RFG Phase I requirements. The RFG regulations impose requirements such as sampling and testing, registration, record keeping, reporting, product transfer documentation, and compliance surveys.

To assure a smooth transition into the program, Arizona has developed an extensive outreach plan which includes several facets in each of these categories: 1) Technician Training (conducted by Downstream Alternatives); 2) Immediate response capacity; 3) Internal/External Health Issues Team (from state, federal and industry representatives); Expansion of existing Hotline to cover RFG inquiries; and 5) Media Strategies (including materials, PSA's [radio and TV] with use of local celebrities. EPA has offered assistance to Arizona, from both Region 9 and Headquarters.

FOR FURTHER INFORMATION

Individuals who have access to a computer and a modem can download the rule from the Technology Transfer Network Bulletin Board (TTN BBS) by calling (919) 541-5742. For further information about how to access the bulletin board call (919) 541-5384.

The rule may also be accessed through the Internet in the Office of Mobile Sources (OMS) home page at http://www.epa.gov/OMSWWW/ (look in What's New or under the specific rulemaking topic). For

further information about the rule, call Janice Raburn at (202) 233-9856.