

## UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

WASHINGTON, D.C. 20460

June 27, 2019

THE ADMINISTRATOR

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

Re: June 27, 2019, Fuel Waiver Concerning Low Volatility Gasoline in Allegheny County, Pennsylvania

Dear Dr. Hacker:

On May 29 and June 12, 2019, due to damage to the Buckeye Laurel Pipeline, I waived requirements of the *Clean Air Act* 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 27, 2019, I received your new June 26, 2017, 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 and the related delay in resupply of compliant fuel to the Allegheny County area. In response to this request, the U.S. Environmental Protection Agency has 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

<sup>&</sup>lt;sup>1</sup> On June 26, 2019, Regional Administrator for EPA Region III signed the final rule removing the summer season maximum RVP limit for Allegheny County, which will be effective upon publication in the Federal Register.

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. In May 2019, the operator of the Buckeye Laurel Pipeline discovered a damaged section of the pipeline, the repair of which required removing the line from normal service. Recently, the pipeline operator completed repairs on the damaged segment of the Buckeye Laurel Pipeline and has since successfully completed all follow-up tests. However, shipments of compliant fuel cannot begin until July 2, at the earliest, and at least ten days of travel time will be required to resupply the affected terminals, with additional time needed for distribution throughout the area. 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 15, 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 15, 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 15, 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 15, 2019, until their supplies are depleted. If the final rule relaxing the summertime RVP requirement for Allegheny County becomes effective prior to the termination date of this waiver (July 15, 2019), parties may continue to commingle RBOB with other gasoline, blendstock, or oxygenate as needed until July 15, 2019, or until supplies are depleted in accordance with the conditions outlined above.

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.

Sincerely

Andrew R. Wheeler

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