THE ADMINISTRATOR
WASHINGTON, D.C. 20460

April 30, 2026

Re: National Fuel Waiver to Create Single National Gasoline Pool

Dear Governors:

By this letter, the U.S. Environmental Protection Agency (EPA) is issuing a temporary waiver under Clean Air Act (CAA) section 211(c)(4)(C)(ii)(I) to address extreme and unusual fuel supply circumstances caused by, among other things, global issues in the Middle East that are affecting all parts of the United States. EPA first issued a broad fuel waiver on March 25, 2026, that included multiple requirements, some with a May 1, 2026, effective date[1]. This action is a renewal of the April 14, 2026, waiver and extends the waiver of federal enforcement of all state "boutique" fuel requirements for gasoline for an additional 20 days. In addition, the action waiving limitations on butane blending is also extended. As a result of these coordinated waivers, this action allows the production and distribution of gasoline with 9 to 15 percent ethanol content at a single common Reid Vapor Pressure (RVP) standard of 10 psi. It remains at the discretion of the states to waive, or maintain, their state level enforcement of state level fuel requirements given the specific circumstances faced in each state. We are also temporarily waiving volatility requirements in one county in northern Michigan to address impacts of flooding on waterborne deliveries.

The CAA and implementing regulations at 40 C.F.R. Part 1090 require the use of low volatility gasoline during the summer months to limit the formation of ozone pollution.[2] EPA's gasoline volatility regulations apply to retailers and wholesale purchaser-consumers beginning June 1 and to all other persons beginning May 1. Specifically, the regulations require parties upstream of retailers and wholesale purchaser-consumers to turn over their storage tanks to low volatility summer gasoline and stop selling higher volatility winter gasoline by May 1 so that retailers and wholesale purchaser-consumers can meet the applicable low volatility gasoline standards by June 1. Some fuel programs approved into State Implementation Plans (SIPs) may have different control dates as specified in the SIPs.

[1] https://www.epa.gov/gasoline-standards/fuel-waivers
[2] 40 C.F.R. § 1090.215. *See also* https://www.epa.gov/gasoline-standards/gasoline-reid-vapor-pressure.

The CAA authorizes states, under certain circumstances, to adopt under state law unique state level or county level fuel standards and to request EPA remove the otherwise applicable 1 psi allowance for 10 percent ethanol blends.[3] The resulting fuel standards are often referred to as "boutique" fuel provisions reflecting their unique tailoring of requirements to local needs. The CAA authorizes EPA to waive federal enforcement of the boutique fuel provisions that are adopted into SIPs.[4] Waiving federal enforcement of these boutique fuel requirements provides maximum flexibility to states to address supply issues within their states and to the fuel distribution system to source gasoline from the widest pool of potential producers and distribution systems helping to alleviate the extreme and unusual supply circumstances described in this action.

Global energy markets have been disrupted by Iranian attacks against tankers transiting the Strait of Hormuz and strikes against oil and gas infrastructure across the Middle East, as well as lowering U.S. refining capacity. Per the U.S. Energy Information Administration (EIA), the Strait of Hormuz is one of the world's most important oil chokepoints. In the first half of 2025, the Strait averaged 20.9 million barrels per day (bpd), approximately 20 percent of global petroleum liquids consumption and 25 percent of total global maritime traded oil.[5] In 2025, the U.S. imported roughly 490,000 bpd of crude oil from Persian Gulf countries, representing about 8 percent of total U.S. crude imports and about 3 percent of U.S. refinery gross inputs.[6] As of 2025, four U.S. refineries imported more than 50,000 bpd of crude oil from the Persian Gulf region.[7] In addition to crude oil, in 2025 the U.S. imported roughly 42,600 bpd of finished petroleum products from Persian Gulf countries, representing roughly 6 percent of all imported finished petroleum products during that same period, as well as 126,000 bpd of unfinished oil.[8]

The EIA Short Term Energy Outlook (STEO), released on March 10, 2026, notes that "High uncertainty about the conflict's effect on oil supplies has added a large risk premium to oil prices as market participants assess actual disruptions to oil flows and weigh the potential for those disruptions to persist." Additionally, the STEO highlights that as a result of the reduction in shipping through the Strait of Hormuz, some oil production has been shut in and that if the reduction continues, "oil storage behind the chokepoint will quickly fill, causing oil producers to shut in even more production, lending further support to oil prices."[9] Additionally, the STEO released on April 7, 2026 noted that "[t]he closure of the strait has dramatically reduced the availability of oil supplies to global markets and has had cascading effects across oil supply chains."

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[3] 42 U.S.C. § 7545(c)(4)(B), 42 U.S.C. § 7545(c)(4)(C), and 42 U.S.C. § 7545(h)(5).
[4] 42 U.S.C. § 7545(c)(4)(C)(ii)
[5] https://www.eia.gov/international/analysis/special-topics/World_Oil_Transit_Chokepoints
[6] https://www.eia.gov/dnav/pet/pet_move_impcus_a2_nus_epc0_im0_mbblpd_a.htm; https://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=pet&s=mgirius2&f=a.
[7] https://www.eia.gov/petroleum/imports/companylevel/
[8] https://www.eia.gov/petroleum/imports/companylevel/
[9] https://www.eia.gov/outlooks/steo/pdf/steo_full.pdf

Overall, U.S. refining capacity has decreased over the past several years, caused by the permanent closures of refineries due to low demand during the COVID-19 pandemic, damage from hurricanes, and accidents, as well as economic closures and reconfigurations, especially in California. As of December 2025, U.S. operable crude oil distillation capacity was 490,000 bpd lower than it was in January 2020.[10] Additional refinery closures are expected in early 2026 including the closure of the Valero Benicia refinery in California, following the closure of the Phillips 66 refinery in Los Angeles, California, in November 2025. Lower refining capacity in recent years provides less cushion to mitigate any unexpected disruptions to refinery operations or sudden increases in customer demand.

As of the week ending March 6, 2026, refinery utilization was 90.8 percent, which is 4.3 percent above utilization at the same time last year.[11] Given this high utilization rate, refineries have minimal ability to produce more refined product, such as gasoline, in the event of a supply disruption. Moreover, EIA data has indicated that Petroleum Administration for Defense District (PADD) 5, which covers the West Coast, had sustained imports of gasoline and jet fuel in 2025,[12] even in advance of the two refinery closures. Many of these imports are being produced in Asian refineries dependent on crude oil from the Middle East. DOE and EPA staff have continued to monitor the gasoline supplies and concluded that the gasoline supply situation has not materially improved since EPA issued its waiver action effective March 25, 2026.

Additionally, on January 20, 2025, President Trump declared a National Energy Emergency stating, in part, that America needs "a reliable, diversified, and affordable supply of energy . . . to sustain the basics of modern life and military preparedness." The declaration also states that "the United States' insufficient energy production, transportation, refining, and generation constitutes an unusual and extraordinary threat to our Nation's economy, national security, and foreign policy."[13]

EPA has concluded, with concurrence from the U.S. Department of Energy, that it is in the public interest to take action to address the extreme and unusual supply circumstances that prevent distribution of an adequate supply of gasoline to consumers.

CAA section 211(c)(4)(C)(ii)(I)-(III) provides EPA with the authority to temporarily waive a control or prohibition if the Administrator makes certain determinations. In particular, the statute authorizes EPA to determine there are "extreme and unusual fuel [ ] supply circumstances" that prevent the distribution of an adequate supply of gasoline to consumers.[14] Here, EPA is exercising the Agency's statutory discretion to identify a lack of an "adequate fuel supply" under these unique circumstances of a particularly unexpected and extreme form of disruption. This extreme and unusual fuel circumstance is the result of ongoing issues in the

[10] https://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=PET&s=MOCLEUS2&f=M
[11] https://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=PET&s=WPULEUS3&f=W
[12] https://www.eia.gov/dnav/pet/pet_move_impcp_d_r50_Z00_mbblpd_a.htm.
[13] 90 FR 8433 (Jan. 29, 2025).
[14] 42 U.S.C. § 7545(c)(4)(C)(ii)(I).

Middle East, among other events that could not reasonably have been foreseen and are not attributable to a lack of prudent planning on the part of suppliers of fuel to these areas.[15]

Furthermore, I have determined, pursuant to CAA section 211(c)(4)(C)(ii)(III), that it is in the public interest to grant this waiver.[16] In taking this action, EPA is seeking to address the extreme and unusual fuel supply circumstances in the market by waiving the requirements in 40 C.F.R. § 1090.215 and allowing gasoline with an RVP of 9.0 psi (10 psi when blended with 9-15 percent ethanol) to be distributed and sold nationwide under this waiver. Absent this waiver, fuel marketers and distributors would need to distribute and sell lower volatility fuel. The switch to lower volatility fuel for the summer season removes some higher volatility blending components and would decrease the supply of petroleum-based gasoline at the very time the Agency has concluded that a fuel supply issue persists due to reduced refining capacity and ongoing conflicts. The Agency's waiver action here will eliminate the need for fuel marketers and distributors to shift to lower volatility fuel and in the process will prevent the decreased supply of petroleum gasoline that would otherwise occur.

In addition, I have determined pursuant to CAA Section 211(c)(4)(C)(iii)(I) that this waiver applies to the smallest geographic area necessary to address the fuel supply circumstances described in this action. 42 U.S.C. § 7545(c)(4)(C)(iii)(I).

After weighing the societal benefits of a higher volume of gasoline being made available to the public, EPA concludes that this waiver is in the public interest. Therefore, to minimize or prevent disruptions of the supply of gasoline, EPA is waiving the requirements in 40 C.F.R. § 1090.215(a)(4) and (a)(5) that govern volatility under EPA approved SIP fuel programs and under this waiver, EPA is allowing gasoline to be distributed and sold nationwide with an RVP of 9.0 psi (10 psi when blended with 9-15% ethanol).

In addition to extending the butane and pentane blending requirements of 40 C.F.R. 1090.220(e), EPA is also conditionally waiving certain reporting requirements to better define and effectuate this element of our prior waiver action. EPA is conditionally waiving the testing requirement in 40 CFR 1090.1320(b)(1), and the per batch RVP reporting requirement at 40 CFR 1090.905(c)(5)(ii)(E), provided the following conditions are met. First, fuel produced under the terms of this waiver must still be reported but can be reported in batch sizes up to one batch per month. As a condition of this waiver, the certified butane blender (or certified pentane blender) must maintain an inline analyzer to monitor the blend of butane into gasoline and ensure the blended fuel meets the 9.0 psi RVP requirement for E0 or the 10.0 psi RVP requirement for E10 or E15. In addition, the certified butane blender (or certified pentane blender) must perform weekly oversight and recordkeeping to document the oversight in accordance with API 1640 Section 16.3. Lastly, where this waiver allowance is utilized, the RVP test method field on the batch report form (STR0200) must use the following text "2026 Summer RVP Waiver."

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[15] *Id.*; 42 U.S.C. § 7545(c)(4)(C)(ii)(II).
[16] 42 U.S.C. § 7545(c)(4)(C)(ii)(III).

The waiver of federal enforcement of state level fuel standards under 40 C.F.R. § 1090.215 and the butane blending requirements under 40 C.F.R. 1090.220(e), 40 CFR 1090.905(c)(5)(ii)(E). and 40 CFR 1090.1320(b)(1) is effective on May 4, 2026, and will continue for 20 days. It is EPA's intention to issue new waivers effectively extending (renewing) these waivers until such time as the extreme and unusual fuel supply circumstances described in this action are no longer present.

This waiver applies only to the applicable federal requirements cited above. Regulated parties who produce, sell, and distribute E15 must continue to comply with all applicable requirements and conditions that do not relate to RVP requirements in 40 C.F.R. Part 1090 and in EPA's determinations under CAA Section 211(f)(4) to allow the introduction into commerce of E15 for use in model year 2001 and newer light-duty motor vehicles.[17] Other state or local requirements or restrictions related to this matter may need to be addressed by the appropriate authorities.[18]

At the request of the State of Michigan, and to address distinct supply issues related to unprecedented flooding in Cheboygan County, Michigan, which have prevented waterborne delivery of compliant fuel, EPA is waiving the summertime RVP standard under 40 C.F.R. § 1090.215, which would otherwise apply on May 1, for five days, to allow the delivery of wintertime gasoline with RVP up to 13.5 psi through May 5, 2026. As a condition of this waiver element, only fuel that has Product Transfer Documents (PTDs) originating before the date of the waiver may be distributed in Cheboygan County under this waiver. This volatility waiver is effective for five days to allow disrupted deliveries to resume. Fuel offloaded under this element of the waiver may be sold and distributed until the volumes described in the PTDs are depleted.

Any gasoline meeting the conditions of the National waiver that was introduced into domestic pipelines or which has been certified at the fuel manufacturing facility gate or import facility, prior to the expiration date of an element of this waiver, as demonstrated by either the PTDs or Certificates of Analysis (COAs), may be distributed and sold in subject areas in the designated states until the volume identified on the PTDs or COAs is depleted. All other requirements of 40 C.F.R. Part 1090 not explicitly waived still apply for this period.

[17] 42 U.S.C. § 7545(f)(4); see 75 FR 68,094 and 76 FR 4662.

[18] Several states have adopted regulations for purposes other than motor vehicle emissions control that limit the applicability of the 1.0 psi allowance to E10.

If you have questions, you are welcome to contact me, or your staff may contact John Eunice, Principal Deputy Associate Administrator for Congressional and Intergovernmental Relations, at 202-564-5200 or Eunice.John@epa.gov.

Sincerely,

Lee M. Zeldin

cc: The Honorable Chris Wright, Secretary of Energy