Fuel Waivers

06/17/2021

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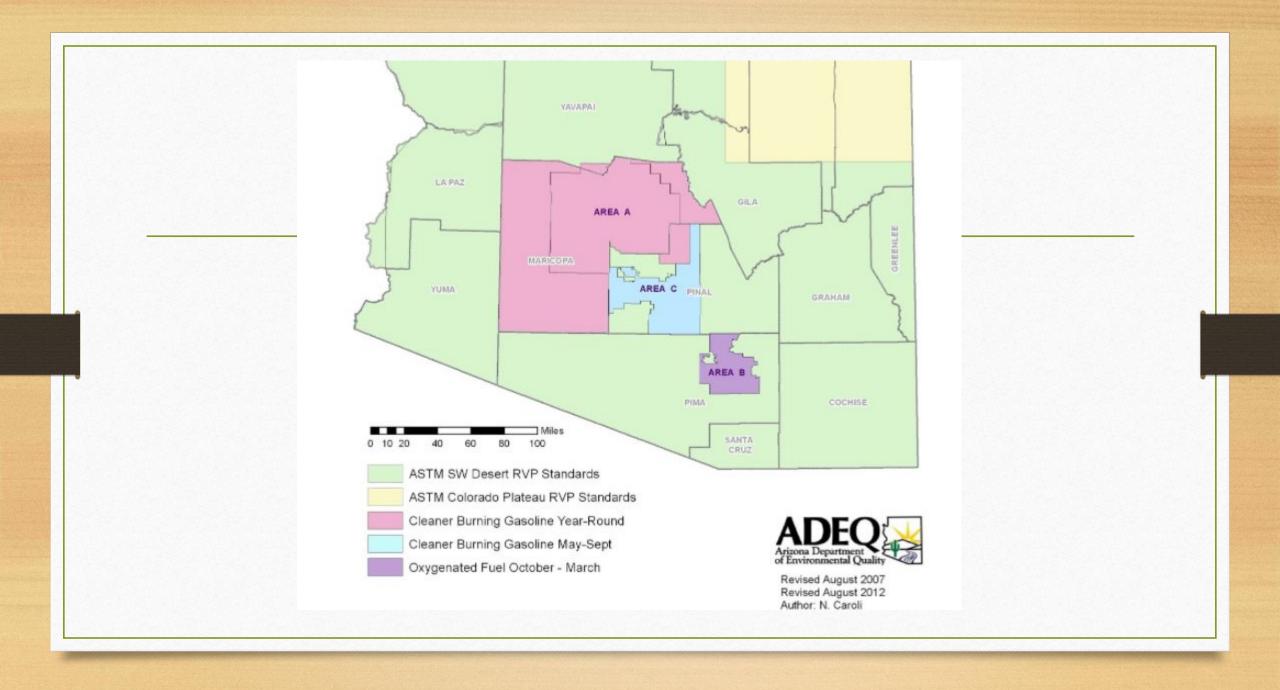
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Arizona Fuel Quality

- Special Arizona Fuel requirements to protect air quality
 - Area A + Maricopa County Cleaner Burning Gasoline (CBG) year round
 - Wintertime Type 2 gasoline, comparable to CARB Phase 2 standards with 10% ethanol and 9.0 pound per square inch (PSI) Reid Vapor Pressure (RVP)
 - Summertime Type 1 gasoline, comparable to federal reformulated gasoline with 7.0 psi RVP OR Type 2 gasoline with 7.0 psi RVP
 - Requirements are in the federal State Implementation Plan (SIP) and federally enforceable by EPA
 - Area A Maricopa County + portions of Pinal and Yavapai

Arizona Fuel Quality, cont.

- Area B Requires winter minimum oxygenate content
 - Incorporated into the SIP
 - Tucson area
- Area C Requires CBG during the summertime with a 7.0 psi RVP
 - June 1 Sept 30
 - Not incorporated into the SIP
 - Western portion of Pinal County
- Area B and Area C do not include Tribal Lands



What is a waiver???

- A method that allows EPA to temporarily waive certain fuel requirements
- Issued in the event of a fuel supply emergency
- Regulated under the Clean Air Act
- Issued by EPA with DOE concurrence
- Applicable to fuel requirements incorporated in the SIP or other federal fuel requirements

Clean Air Act Waiver Criteria

- Applicable only under "extreme and unusual fuel or fuel additive supply circumstances that exist in a State or region of the Nation which prevent the distribution of an adequate supply of the fuel or fuel additive to consumers;"
- These "circumstances are the result of a natural disaster, an Act of God, a pipeline or refinery equipment failure, or another event that could not reasonably have been foreseen or prevented and not the lack of prudent planning on the part of the suppliers of the fuel or fuel additive to such State or region;"
- And "it is in the public interest to grant the waiver (for example, when a waiver is necessary to meet projected temporary shortfalls in the supply of the fuel or fuel additive in a State or region of the Nation which cannot otherwise be compensated for)."

CAA § 211(c)(4)(C)(ii), 42 U.S.C. § 7545(c)(4)(C)(ii)

How can a waiver help?

Allows for the temporary use of a fuel or fuels, that may not otherwise be allowed in a specific area, to help improve supply shortage emergencies

What is considered when reviewing a waiver request?

- How bad is the situation?
- How long will the situation exist?
- Can a fuel waiver help?
- What is the daily usage in the area?
- What can fill the gap?
- What impacts on air quality might occur due to alternate fuel use?

Arizona Waiver History

- EPA granted enforcement discretion in 2003 for shortages resulting from pipeline disruption
- The waiver provision was added to Clean Air Act in 2005
- Arizona applied for and received waivers in 2005 and 2008 for shortages resulting from hurricanes, Katrina and Ike, respectively.
- A nationwide waiver was issued (without formal request) due to Covid-19 related issues that impacted fuel supplies.
- EPA acts quickly after receiving the application. The waiver must be signed by the EPA Administrator after consultation with U.S. Department of Energy (DOE).

EPA Waiver Issuance Process

