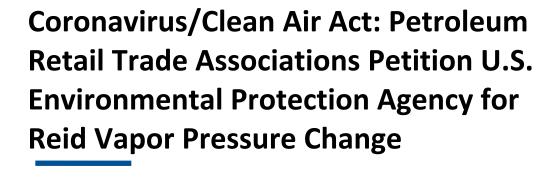
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03/25/2020

Four petroleum retail trade associations transmitted a March 23rd letter to the United States Environmental Protection Agency ("EPA") addressing the Clean Air Act Reid Vapor Pressure ("RVP") requirements.

The trade associations include:

- Petroleum Marketers Association of America
- National Association of Convenience Stores
- National Association of Truckstop Owners
- Society of Independent Gasoline Marketers of America

(collectively, "PMAA")

The four trade associations petitioning EPA represent the convenience and fuel retailing industry.

The Clean Air Act requires EPA to regulate fuels and fuel additives for use in motor vehicle, motor vehicle engine, or non-road engine or non-road vehicle if such fuel, fuel additive, or any emission products causes or contributes to air or water pollution that may endanger the public health and welfare.

EPA regulates the vapor pressure of gasoline sold at retail stations during the summer ozone season to reduce evaporative emissions from gasoline that contribute to ground-level ozone and diminish the effects of ozone-related health problems. Volatility is the property of a liquid fuel that defines its evaporation characteristics. RVP is a common measure and generic term for gasoline volatility.

Evaporative emission from gasoline are referred to as volatile organic compounds. EPA had promulgated under Section 211(c) maximum limits for the RVP of gasoline sold during regulatory control periods established on a state-by-state basis.

PMAA is requesting a grant of a waiver of the RVP requirements that change on May 1, 2020, at the terminal level and June 1, 2020, at the retail level due to the rapid changes in gasoline demand resulting from the COVID-19 health pandemic. The basis for the request if stated to be the Emergency Declarations declared around the United States which require:

... individuals to limit travel, for both work and pleasure, and gasoline demand is falling dramatically.

Also cited are significant amounts of winter grade fuel that remains in tanks, terminals, and pipelines. A concern is expressed that it will be difficult to sell after the May 1, 2020, transition date. Further, terminal operators are stated to have limited capacity to take loads of summer grade fuel. If so, the possibility of refineries being forced to terminate production and problems for pipelines that ship both gasoline and diesel through the same pipes as backup are noted.

EPA's authority (with the concurrence of the United States Department of Energy) to issue the waiver under Clean Air Act Section 211(c)(4)(C) is cited.

A copy of the letter can be found <u>here</u>.