



# Regulatory Announcement

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## Final Rule to Allow Former Nonattainment Areas to Opt Into the Federal Reformulated Gasoline Program

*The US. Environmental Protection Agency (EPA) revised the reformulated gasoline RFG regulations to allow states to opt into the federal RFG program for any area designated as an ozone nonattainment area as of November 15, 1990, or any time later. This rule encompasses all areas previously classified as marginal, moderate, serious or severe ozone nonattainment areas, as well as those areas currently or previously classified as transitional, submarginal, no data or incomplete data ozone nonattainment areas. States can use this additional option to help achieve cleaner air.*

### Overview of Final Rule

The Clean Air Act requires EPA to establish standards for cleaner burning RFG to be used in specified ozone nonattainment areas. The Act also provides that other 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. This final rule will expand this provision to allow states to opt into the RFG program for areas which had been previously classified as marginal, moderate, serious, or severe for ozone, but were subsequently redesignated to attainment. This final rule will also allow states to opt into the reformulated gasoline program for those areas that are currently or were previously classified as transitional, sub-marginal or incomplete data ozone nonattainment areas. This will provide additional flexibility to the states to ensure continued compliance with the National Ambient Air Quality Standards for ozone in these areas.

## **Health and Environmental Benefits**

RFG protects health and the environment by reducing harmful vehicle emissions of ozone-forming compounds and air toxics. RFG produces 15 to 17 percent less pollution than conventional gasoline. Therefore, there will be less smog-forming ground-level ozone to damage sensitive lung tissue and make it harder for the lungs to function. Ozone exposure is especially dangerous to children, the elderly, and people with lung diseases like asthma, bronchitis, and emphysema.

Air toxics from tailpipe emissions or gasoline vapors also can be harmful. Some of the toxic compounds in gasoline (e.g., benzene) and compounds created when gasoline is burned in the engine are known or believed to cause cancer. RFG is produced with smaller amounts of benzene than in previous gasolines, so there is less to get into the air around us.

## **Affected States**

This final rule will expand the number of areas eligible to opt into the federal RFG program and thereby provide these health and environmental benefits to the citizens of those areas.

This final rule will affect any state with a former nonattainment area by providing the state the opportunity to opt into the federal RFG program for that area. It will also affect areas currently in nonattainment that, for various reasons, have not been classified as marginal, moderate, serious, or severe ozone nonattainment areas (i.e., submarginal, transitional, and incomplete and no data ozone nonattainment areas). Currently, there are approximately 45 such redesignated areas, and approximately 35 transitional, incomplete and no data ozone nonattainment areas, located in approximately ten states. One sub-marginal area exists. There are also several pending redesignation applications. It is difficult to estimate how many redesignated areas will opt into the RFG program, but several areas have expressed interest in having the option to use RFG.

## **Effect on Industry**

If the governor of a state submits a petition to EPA to opt in a former nonattainment area to the RFG program, EPA would provide notice and an opportunity for public comment through a complete rulemaking process before establishing a start date for the use of RFG in that area. Refiners, importers, and oxygenate blenders who produce or import RFG for use in areas which opt into the RFG program as a result of this rule will be subject to the requirements of the RFG program for gasoline sold in the areas that have opted in. The RFG regulations require the sale of RFG in areas covered by the program, and also impose certain requirements on refiners, importers, and oxygenate blenders of RFG, such as sampling and testing, registration, record keeping, reporting, product transfer documentation, compliance surveys, and attest engagements. However, it is anticipated that refiners, importers, and oxygenate blenders who elect to produce or import RFG for use in such opt-in areas will be companies which currently produce or import RFG for use in existing RFG covered areas. The RFG regulations require distributors of RFG in covered areas to perform quality assurance testing, provide product transfer documents to downstream parties, and retain records of product transfers and any sampling and testing performed. Retail gasoline stations are required to retain product transfer documents for five years.

## **For Further Information**

Additional documents on the RFG program are available electronically from the EPA Internet server at:

<http://www.epa.gov/oms/rfg.htm>

For further information on this rulemaking, please contact Karen Smith at:

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