



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
WASHINGTON, D.C. 20460

OCT 31 2012

THE ADMINISTRATOR

The Honorable Dan Malloy  
Governor  
State of Connecticut  
210 Capitol Avenue  
Hartford, CT 06106

The Honorable Martin O'Malley  
Governor  
State of Maryland  
100 State Circle  
Annapolis, MD 21401

The Honorable John Lynch  
Governor  
State of New Hampshire  
Office of the Governor  
25 Capitol Street, Room 212  
Concord, NH 03301

The Honorable Andrew Cuomo  
Governor  
State of New York  
State Capitol  
Albany, NY 12224

The Honorable Lincoln Chafee  
Governor  
State of Rhode Island  
State House  
Providence, RI 02903

The Honorable Jack Markell  
Governor  
State of Delaware  
Legislative Hall  
Dover, DE 19901

The Honorable Deval Patrick  
Governor  
Commonwealth of Massachusetts  
State House  
Office of the Governor, Room 360  
Boston, MA 02133

The Honorable Christopher Christie  
Governor  
State of New Jersey  
The State House  
P.O. Box 001  
Trenton, NJ 08625

The Honorable Tom Corbett  
Governor  
Commonwealth of Pennsylvania  
Room 225  
Main Capitol Building  
Harrisburg, PA 17120

The Honorable Bob McDonnell  
Governor  
Commonwealth of Virginia  
State Capitol  
Third Floor  
Richmond, VA 23219

The Honorable Vincent Gray  
Mayor  
District of Columbia  
1350 Pennsylvania Avenue NW, Suite 316  
Washington, DC 20004

The Honorable Robert Bentley  
Governor  
State of Alabama  
State Capitol  
600 Dexter Avenue  
Montgomery, AL 36130

Honorable Nathan Deal  
Governor  
State of Georgia  
203 State Capitol  
Atlanta, GA 30334

The Honorable Phil Bryant  
Governor  
State of Mississippi  
P.O. Box 139  
Jackson, MS 39205

The Honorable Bev Perdue  
Governor  
State of North Carolina  
Office of the Governor  
20301 Mail Service Center  
Raleigh, NC 27699

The Honorable Nikki R. Haley  
Governor  
State of South Carolina  
1205 Pendleton Street  
Columbia, SC 29201

The Honorable Bill Haslam  
Governor  
State of Tennessee  
Tennessee State Capitol  
Nashville, TN 37243

Re: October 2012 Fuel Waiver Concerning Connecticut, Delaware, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Virginia, Mississippi, Alabama, Georgia, Tennessee, South Carolina, North Carolina, and the District of Columbia

Dear Governors and Mayor Gray:

I have received requests for a waiver under the Clean Air Act (CAA) made by some of you or on your behalf to address a fuel supply emergency caused by Hurricane Sandy. As you know, regulations promulgated under the CAA require gasoline sold in certain areas of Connecticut, Delaware, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Virginia and the District of Columbia to meet reformulated gasoline (RFG) requirements (the "Designated RFG Covered Areas"). The RFG regulations at 40 C.F.R. § 80.78(a)(7) also prohibit any person from combining any reformulated gasoline blendstock for oxygenate blending with any other gasoline, blendstock, or oxygenate, unless certain conditions are met.

Widespread power outages and flooding caused by Hurricane Sandy have resulted in significant damage to petroleum storage facilities in the affected areas. This damage, and the related impact on petroleum

pipeline operations, affects the petroleum distribution system in the affected areas and is projected to prevent the distribution of adequate supplies of RFG throughout the Designated RFG Covered Areas over the next several days.

The EPA, in consultation with the Department of Energy (DOE), has evaluated the impact of fuel supplies as the result of disruptions to the fuel distribution system. Based on this evaluation, the EPA has determined, and DOE concurs, that it is necessary to take the following action to minimize or prevent disruption of the supply of gasoline to these areas.

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 circumstance is the result of Hurricane Sandy, a natural disaster 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). 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).

Therefore, to minimize or prevent disruptions of the supply of RFG, I am issuing this waiver of the federal RFG requirements in the Designated RFG Covered Areas. Under this waiver, the EPA will allow regulated parties to sell conventional gasoline (CG) in the Designated RFG Covered Areas. In order to prevent fuel supply disruptions, I am also waiving the provisions at 40 C.F.R. § 80.78(a)(7) that prohibit any person from combining any reformulated gasoline blendstock for oxygenate blending with any other gasoline, blendstock, or oxygenate, unless certain conditions are met.<sup>1</sup> This waiver of the prohibitions at 40 C.F.R. § 80.78(a)(7) applies to the Designated RFG Covered Areas and the following states: Mississippi, Alabama, Georgia, Tennessee, South Carolina, and North Carolina.

This waiver is effective immediately and will continue through November 20, 2012. After November 20, 2012, refiners and importers may not produce or import gasoline that does not meet the RFG standards for distribution in the Designated RFG Covered Areas. However, any CG for use in the Designated RFG Covered Areas that is in the distribution system on November 20, 2012, may be distributed and sold until the supply is depleted. CG that is in the possession of parties other than retailers and wholesale purchaser-consumers must meet the RFG requirements by no later than December 20, 2012. Retailers and wholesale purchaser-consumers may continue selling or dispensing CG until their supplies are depleted.

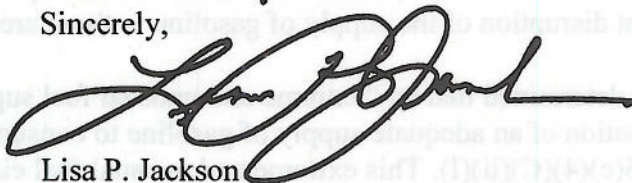
---

<sup>1</sup> This waiver does not cover the gasoline sulfur requirements in Georgia's federally approved State Implementation Plan (SIP) that covers the 45-County Atlanta-area market. See 67 Fed. Reg. 8200. Regulated parties must continue to comply with the requirements set forth in this SIP.

The EPA will continue to work with the DOE and affected states to monitor the impact of Hurricane Sandy on the fuel supply situation. 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,



Lisa P. Jackson

cc: The Honorable Steven Chu  
Secretary of Energy