

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

September 2, 2021

THE ADMINISTRATOR

The Honorable John Bel Edwards Governor of Louisiana Office of the Governor P.O. Box 94004 Baton Rouge, Louisiana 70804

The Honorable Tate Reeves Governor of Mississippi P.O. Box 139 Jackson, Mississippi 39205

Dear Governors Edwards and Reeves:

On August 30, 2021, to address the fuel supply emergency caused by Hurricane Ida, I waived the federal Reid vapor pressure requirements at 40 C.F.R. § 1090.215 that apply in Louisiana and Mississippi. My August 30, 2021, waiver allowed regulated parties to produce, sell and distribute winter gasoline in Louisiana and Mississippi with a Reid vapor pressure of no more than 11.5 psi after the addition of ethanol. The U.S. Environmental Protection Agency has received requests to issue a second waiver under the Clean Air Act to allow regulated parties to produce, sell and distribute winter gasoline in Louisiana and Mississippi with a Reid vapor pressure of no more than 11.5 psi before the addition of ethanol. This letter responds to these requests.

Regulations promulgated under the Clean Air Act require the use of low volatility gasoline during the summer months to limit the formation of ozone pollution. These regulations are found at 40 C.F.R. § 1090.215 and epa.gov/gasoline-standards/gasoline-reid-vapor-pressure. Louisiana and Mississippi have declared states of emergency as a result of Hurricane Ida. Widespread power outages, refinery shutdowns, and flooding caused by the hurricane are preventing the distribution of adequate supplies of compliant gasoline in your states. The fuel supply shortages caused by Ida can be reduced by waiving the requirements to sell low volatility gasoline.

The EPA and the Department of Energy have been actively monitoring the supply of fuel. The EPA has concluded, with DOE's concurrence, that it is necessary to take action to minimize or prevent disruption of an adequate supply of gasoline to consumers. I have determined that an "extreme and unusual fuel [] supply circumstance" exists that will prevent the distribution of an adequate supply of compliant gasoline to consumers. CAA § 211(c)(4)(C)(ii)(I), 42 U.S.C. § 7454(c)(4)(C)(ii)(I).

This extreme and unusual fuel circumstance is the result of Hurricane Ida, an event that could not reasonably have been foreseen 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 gasoline in Louisiana and Mississippi, I am issuing this waiver of the federal Reid vapor pressure requirements at 40 C.F.R. § 1090.215 that apply in Louisiana and Mississippi. Under this temporary waiver, regulated parties may produce, sell and distribute winter gasoline in Louisiana and Mississippi with a Reid vapor pressure of no more than 11.5psi before the addition of ethanol. This waiver is effective immediately and will continue through September 15, 2021.

This waiver supersedes my August 30, 2021 waiver and applies only to the applicable federal requirements cited above for the states of Louisiana and Mississippi. Other state or local requirements or restrictions related to this matter may need to be addressed by the appropriate authorities. The EPA recognizes that this is an evolving situation that is causing rapid changes to market dynamics. Should conditions warrant, this waiver may be modified, terminated or extended as appropriate.

If you have questions, I would be most pleased to assist during this especially difficult situation. Alternatively, your staff may contact Evan Belser, acting director of the Air Enforcement Division at belser.evan@epa.gov or (202) 768-4494.

Sincerely yours,

Michael S. Regan

cc: The Honorable Jennifer M. Granholm Secretary of Energy