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[FR Doc. 2015-16392 Filed 7-1-15; 8:45 am]

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[FR Doc. 2014-11490 Filed 5-21-14; 8:45 am]
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ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 80

[EPA-HQ-OAR-2013-0787; FRL-9911-13-OAR]

Approval of States' Requests To Relax the Federal Reid Vapor Pressure Volatility Standard in Florida, and the Raleigh-Durham-Chapel Hill and Greensboro/Winston-Salem/High Point Areas in North Carolina

AGENCY: The Environmental Protection Agency (EPA).

ACTION: Withdrawal of direct final rule.

SUMMARY: Due to the receipt of adverse comments, the Environmental Protection Agency (EPA) is withdrawing the March 31, 2014, direct final rule to approve requests from Florida and North Carolina for the EPA to relax the Reid Vapor Pressure (RVP) Standard applicable to gasoline introduced into commerce from June 1 to September 15 of each year in six counties in Florida, and in counties in the Raleigh-Durham-Chapel Hill Area (also referred to as the "Triangle Area") and the Greensboro/Winston-Salem/High Point Area (also referred to as the "Triad Area") in North Carolina. The EPA is considering these comments and will address the comments in a subsequent action that is to be published soon. The EPA will not institute a second comment period on this action.

DATES: The direct final rule published at 79 FR 17889 on March 31, 2014, is withdrawn as of May 22, 2014.

FOR FURTHER INFORMATION CONTACT: Rudolph Kapichak, Office of Transportation and Air Quality, Environmental Protection Agency, 2000 Traverwood Drive, Ann Arbor, MI 48105; telephone number: 734-214-4574; fax number 734-214-4052; email address: kapichak.rudolph@epa.gov.

SUPPLEMENTARY INFORMATION: On March 31, 2014 (79 FR 17889), the EPA published a direct final rule approving a request from Florida to change the summertime RVP standard for Broward, Dade, Duval, Hillsborough, Palm Beach and Pinellas counties in Florida from 7.8 psi to 9.0 psi by amending the EPA's regulations at 40 CFR 80.27(a)(2). Additionally, in that direct final rule the EPA approved a request from North Carolina to change the summertime RVP standard for the Triangle and Triad Areas from 7.8 psi to 9.0 psi by amending the EPA's regulations at 40

CFR 80.27(a)(2). The Triangle Area is comprised of Durham and Wake Counties, and the Dutchville Township portion of Granville County. The Triad Area is comprised of the counties of Davidson, Forsyth and Guilford in their entirety, and the portion of Davie County bounded by the Yadkin River, Dutchmans Creek, North Carolina Highway 801, Fulton Creek and back to Yadkin River. In previous rulemakings, the EPA approved state implementation plan revisions from Florida and North Carolina which provided technical analyses that demonstrated that removal of the Federal RVP requirements of 7.8 psi for gasoline sold between June 1 and September 15 of each year in the six counties in Florida, and the North Carolina Triangle and Triad Areas would not interfere with maintenance of the national ambient air quality standards in these areas. In the direct final rule, the EPA stated that if adverse comments were received by April 30, 2014, the rule would be withdrawn and not take effect. On March 29, 2014, the EPA received a comment letter. The EPA interprets the comments in that letter as adverse and, therefore, the EPA is withdrawing the direct final rule. The EPA will address these comments in a separate final action based upon the proposed rulemaking action at 79 FR 17966 (March 31, 2014). The EPA will not institute a second comment period on this action.

Accordingly, the amendment to 40 CFR 80.27 which published in the *Federal Register* on March 31, 2014, at 79 FR 17895 is withdrawn as of May 22, 2014.

Dated: May 15, 2014.

Gina McCarthy,
Administrator.

[FR Doc. 2014-11910 Filed 5-21-14; 8:45 am]
BILLING CODE 6560-50-P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 80

[EPA-HQ-OAR-2013-0787; FRL-9911-12-OAR]

Approval of States' Requests To Relax the Federal Reid Vapor Pressure Volatility Standard in Florida, and the Raleigh-Durham-Chapel Hill and Greensboro/Winston-Salem/High Point Areas in North Carolina

AGENCY: The Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: The Environmental Protection Agency (EPA) is taking final action to

approve requests from Florida and North Carolina for the EPA to relax the Reid Vapor Pressure (RVP) Standard applicable to gasoline introduced into commerce from June 1 to September 15 of each year in six counties in Florida, and in counties in the Raleigh-Durham-Chapel Hill Area (also referred to as the "Triangle Area") and the Greensboro/Winston-Salem/High Point Area (also referred to as the "Triad Area") in North Carolina. Specifically, the EPA is approving amendments to the regulations to change the RVP standard for six counties in Florida, and for the counties in the Triangle and Triad Areas from 7.8 pounds per square inch (psi) to 9.0 psi for gasoline. Additionally, the EPA is responding to adverse comments received for this action. The EPA has determined that these changes to the Federal RVP regulation are consistent with the applicable provisions of the Clean Air Act (CAA or Act).

DATES: This final rule will become effective on May 30, 2014.

ADDRESSES: The EPA has established a docket for this action under Docket Identification No. EPA-HQ-OAR-2013-0787. All documents in the docket are listed on the www.regulations.gov Web site. Although listed in the index, some information is not publicly available, i.e., Confidential Business Information or other information whose disclosure is restricted by statute. Certain other material, such as copyrighted material, is not placed on the Internet and will be publicly available only in hard copy form. Publicly available docket materials are available either electronically through www.regulations.gov or in hard copy at the Air Docket, EPA/DC, EPA West, Room 3334, 1301 Constitution Ave. NW., Washington, DC. The Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Public Reading Room is (202) 566-1744, and the telephone number for the Air Docket is (202) 566-1742.

FOR FURTHER INFORMATION CONTACT: Rudolph Kapichak, Office of Transportation and Air Quality, Environmental Protection Agency, 2000 Traverwood Drive, Ann Arbor, MI 48105; telephone number: (734) 214-4574; fax number (734) 214-4052; email address: kapichak.rudolph@epa.gov.
SUPPLEMENTARY INFORMATION: Organization of this document. The following outline is provided to aid in locating information in this preamble.

Table of Contents

I. General Information

medications, and regular health screenings as determined necessary by a licensed veterinarian consistent with local veterinary practice standards. Proof of compliance with these requirements must be documented and accessible in the VA CLC or MHR RTP.

(F) Animals may be present on NCA property for ceremonial purposes during committal services, interments, and other memorials, if the presence of such animals would not compromise public safety, facilities and grounds care, and maintenance control standards.

(x) For purposes of this section, a disability means, with respect to an individual, a physical or mental impairment that substantially limits one or more major life activities of the individual; a record of such an impairment; or being regarded as having such an impairment.

(OMB has approved the information collection requirements in this section under control number XXXX-XXXX.)

* * * * *

(Authority: 38 U.S.C. 901, 40 U.S.C. 3103)

[FR Doc. 2015-20182 Filed 8-14-15; 8:45 am]

BILLING CODE 8320-01-P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 80

[EPA-HQ-OAR-2015-0208; FRL-9931-94-OAR]

RIN 2060-AS64

Approval of North Carolina's Request To Relax the Federal Reid Vapor Pressure Gasoline Volatility Standard for Mecklenburg and Gaston Counties

AGENCY: Environmental Protection Agency (EPA).

ACTION: Direct final rule.

SUMMARY: The Environmental Protection Agency (EPA) is taking direct final action to approve a request from the state of North Carolina for the EPA to relax the Reid Vapor Pressure (RVP) standard applicable to gasoline introduced into commerce from June 1 to September 15 of each year for Mecklenburg and Gaston counties. Specifically, the EPA is approving amendments to the regulations to allow the RVP standard for the two counties to rise from 7.8 pounds per square inch (psi) to 9.0 psi for gasoline. The EPA has determined that this change to the federal RVP regulation is consistent with the applicable provisions of the Clean Air Act (CAA). This action is being taken without prior proposal because the EPA believes that this

rulemaking is noncontroversial for the reasons set forth in this preamble, and due to the limited scope of this action.

DATES: This rule is effective on October 16, 2015 without further notice, unless EPA receives adverse comment by September 16, 2015. If EPA receives adverse comment, we will publish a timely withdrawal in the **Federal Register** informing the public that the rule will not take effect.

ADDRESSES: Submit your comments, identified by Docket ID No. EPA-HQ-OAR-2015-0208, to the Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the online instructions for submitting comments. Once submitted, comments cannot be edited or withdrawn. The EPA may publish any comment received to its public docket. Do not submit electronically any information you consider to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Multimedia submissions (audio, video, etc.) must be accompanied by a written comment. The written comment is considered the official comment and should include discussion of all points you wish to make. The EPA will generally not consider comments or comment contents located outside of the primary submission (i.e., on the web, cloud, or other file sharing system). For additional submission methods, the full EPA public comment policy, information about CBI or multimedia submissions, and general guidance on making effective comments, please visit <http://www2.epa.gov/dockets/commenting-epa-dockets>.

FOR FURTHER INFORMATION CONTACT:

Patty Klavon, Office of Transportation and Air Quality, Environmental Protection Agency, 2000 Traverwood Drive, Ann Arbor, Michigan, 48105; telephone number: (734) 214-4476; fax number: (734) 214-4052; email address: klavon.patty@epa.gov.

SUPPLEMENTARY INFORMATION:

The contents of this preamble are listed in the following outline:

- I. General Information
- II. Action Being Taken
- III. History of the Gasoline Volatility Requirement
- IV. The EPA's Policy Regarding Relaxation of Gasoline Volatility Standards in Ozone Nonattainment Areas That Are Redesignated as Attainment Areas
- V. North Carolina's Request to Relax the Federal Gasoline RVP Requirement for Mecklenburg and Gaston Counties
- VI. Final Action
- VII. Statutory and Executive Order Reviews
- VIII. Legal Authority and Statutory Provisions

I. General Information

A. Why is the EPA issuing a direct final rule?

The EPA is making this revision as a direct final rule without prior proposal because the EPA views this revision as noncontroversial and anticipates no adverse comment. The rationale for this rulemaking is described in detail below. In the Proposed Rules section of this **Federal Register**, the EPA is publishing a separate document that will serve as the proposal to approve this revision to the RVP gasoline standard that applies in Mecklenburg and Gaston counties should adverse comments be filed. If the EPA receives no adverse comment, the EPA will not take further action on the proposed rule. If the EPA receives adverse comment on this rule or any portion of this rule, the EPA will withdraw the direct final rule or the portion of the rule that received adverse comment. All public comments received will then be addressed in a subsequent final rule based on the proposed rule. The EPA will not institute a second comment period on this rulemaking. Any parties interested in commenting must do so at this time.

B. Does this action apply to me?

Entities potentially affected by this rule are fuel producers and distributors who do business in North Carolina.

Examples of potentially regulated entities	NAICS ¹ codes
Petroleum refineries	324110
Gasoline Marketers and Distributors	424710 424720
Gasoline Retail Stations	447110
Gasoline Transporters	484220 484230

The above table is not intended to be exhaustive, but rather provides a guide for readers regarding entities likely to be regulated by this action. The table lists the types of entities of which the EPA is aware that potentially could be affected by this rule. Other types of entities not listed on the table could also be affected by this rule. To determine whether your organization could be affected by this rule, you should carefully examine the regulations in 40 CFR 80.27. If you have questions regarding the applicability of this action to a particular entity, call the person listed in the **FOR FURTHER INFORMATION CONTACT** section of this preamble.

¹ North American Industry Classification System.

C. What should I consider as I prepare my comments?

1. Submitting CBI

Do not submit CBI to the EPA through www.regulations.gov or email. Clearly mark the part or all of the information that you claim to be CBI. For CBI information in a disk or CD-ROM that you mail to the EPA, mark the outside of the disk or CD-ROM as CBI and then identify electronically within the disk or CD-ROM the specific information that is claimed as CBI. In addition to one complete version of the comment that includes information claimed as CBI, a copy of the comment that does not contain the information claimed as CBI must be submitted for inclusion in the public docket. Information so marked will not be disclosed except in accordance with procedures set forth in 40 CFR part 2.

2. Tips for Preparing Your Comments

When submitting comments, remember to:

- Identify the rulemaking by docket number and other identifying information (subject heading, **Federal Register** date and page number).
- Follow directions—The EPA may ask you to respond to specific questions or organize comments by referencing a Code of Federal Regulations (CFR) part or section number.
- Explain why you agree or disagree, suggest alternatives, and substitute language for your requested changes.
- Describe any assumptions and provide any technical information and/or data that you used.
- If you estimate potential costs or burdens, explain how you arrived at your estimate in sufficient detail to allow for it to be reproduced.
- Provide specific examples to illustrate your concerns, and suggest alternatives.
- Explain your views as clearly as possible, avoiding the use of profanity or personal threats.
- Make sure to submit your comments by the comment period deadline identified.

3. Docket Copying Costs

You may be required to pay a reasonable fee for copying docket materials.

II. Action Being Taken

This direct final rule approves a request from the state of North Carolina to change the summertime gasoline RVP standard for Mecklenburg and Gaston counties from 7.8 psi to 9.0 psi by amending the EPA's regulations at 40 CFR 80.27(a)(2). In a previous

rulemaking, the EPA approved a redesignation request and maintenance plan for the Charlotte-Gastonia-Salisbury, North Carolina 2008 ozone area ("the Charlotte area") and a CAA section 110(l) non-interference demonstration that relaxing the federal RVP gasoline requirement from 7.8 psi to 9.0 psi for gasoline sold from June 1 to September 15 of each year in Mecklenburg and Gaston counties would not interfere with maintenance of the national ambient air quality standards (NAAQS) in the Charlotte area. Mecklenburg and Gaston counties are part of the Charlotte area. For more information on North Carolina's redesignation request and maintenance plan for the Charlotte area, please refer to Docket ID. No. EPA-R04-OAR-2015-0275 for the rulemaking that was signed on July 17, 2015. The preamble for this rulemaking is organized as follows: Section III. provides the history of the federal gasoline volatility regulation. Section IV. describes the policy regarding relaxation of volatility standards in ozone nonattainment areas that are redesignated as attainment areas. Section V. provides information specific to North Carolina's request for Mecklenburg and Gaston counties. Finally, Section VI. presents the final action in response to North Carolina's request.

III. History of the Gasoline Volatility Requirement

On August 19, 1987 (52 FR 31274), the EPA determined that gasoline nationwide was becoming increasingly volatile, causing an increase in evaporative emissions from gasoline-powered vehicles and equipment. Evaporative emissions from gasoline, referred to as volatile organic compounds (VOC), are precursors to the formation of tropospheric ozone and contribute to the nation's ground-level ozone problem. Exposure to ground-level ozone can reduce lung function, thereby aggravating asthma and other respiratory conditions, increase susceptibility to respiratory infection, and may contribute to premature death in people with heart and lung disease.

The most common measure of fuel volatility that is useful in evaluating gasoline evaporative emissions is RVP. Under CAA section 211(c), the EPA promulgated regulations on March 22, 1989 (54 FR 11868) that set maximum limits for the RVP of gasoline sold during the regulatory control periods that were established on a state-by-state basis in the final rule. The regulatory control periods addressed the portion of the year when peak ozone concentrations were expected. These

regulations constituted Phase I of a two-phase nationwide program, which was designed to reduce the volatility of gasoline during the high ozone season. On June 11, 1990 (55 FR 23658), the EPA promulgated more stringent volatility controls as Phase II of the volatility control program. These requirements established maximum gasoline RVP standards of 9.0 psi or 7.8 psi (depending on the state, the month, and the area's initial ozone attainment designation with respect to the 1-hour ozone NAAQS.)

The 1990 CAA Amendments established a new section 211(h) to address fuel volatility. CAA section 211(h) requires the EPA to promulgate regulations making it unlawful to sell, offer for sale, dispense, supply, offer for supply, transport, or introduce into commerce gasoline with an RVP level in excess of 9.0 psi during the high ozone season. CAA section 211(h) also prohibits the EPA from establishing a volatility standard more stringent than 9.0 psi in an attainment area, except that the EPA may impose a lower (more stringent) standard in any former ozone nonattainment area redesignated to attainment.

On December 12, 1991 (56 FR 64704), the EPA modified the Phase II volatility regulations to be consistent with CAA section 211(h). The modified regulations prohibited the sale of gasoline with an RVP above 9.0 psi in all areas designated attainment for ozone, effective January 13, 1992. For areas designated as nonattainment, the regulations retained the original Phase II standards published on June 11, 1990 (55 FR 23658), which included the 7.8 psi ozone season limitation for certain areas. As stated in the preamble to the Phase II volatility controls and reiterated in the proposed change to the volatility standards published in 1991, the EPA will rely on states to initiate changes to their respective volatility programs. The EPA's policy for approving such changes is described below in Section IV. of this action.

The state of North Carolina has initiated this change by requesting that the EPA relax the 7.8 psi gasoline RVP standard to 9.0 psi for Mecklenburg and Gaston counties, which are subject to the 7.8 gasoline RVP requirement during the summertime ozone season. Accordingly, the state of North Carolina provided a technical demonstration showing that relaxing the federal gasoline RVP requirements in the two counties from 7.8 psi to 9.0 psi would not interfere with maintenance of the NAAQS in the Charlotte area or with any other applicable CAA requirement.

IV. The EPA's Policy Regarding Relaxation of Gasoline Volatility Standards in Ozone Nonattainment Areas That Are Redesignated as Attainment Areas

As stated in the preamble for the EPA's amended Phase II volatility standards (56 FR 64706), any change in the volatility standard for a nonattainment area that was subsequently redesignated as an attainment area must be accomplished through a separate rulemaking that revises the applicable standard for that area. Thus, for former 1-hour ozone nonattainment areas where the EPA mandated a Phase II volatility standard of 7.8 psi RVP in the December 12, 1991 rulemaking, the federal 7.8 psi RVP gasoline requirement remains in effect, even after such an area is redesignated to attainment, until a separate rulemaking is completed that relaxes the federal RVP gasoline standard in that area from 7.8 psi to 9.0 psi.

As explained in the December 12, 1991 rulemaking, the EPA believes that relaxation of an applicable gasoline RVP standard is best accomplished in conjunction with the redesignation process. In order for an ozone nonattainment area to be redesignated as an attainment area, CAA section 107(d)(3) requires the state to make a showing, pursuant to CAA section 175A, that the area is capable of maintaining attainment for the ozone NAAQS for ten years. Depending on the area's circumstances, this maintenance plan will either demonstrate that the area is capable of maintaining attainment for ten years without the more stringent gasoline volatility standard or that the more stringent gasoline volatility standard may be necessary for the area to maintain its attainment with the ozone NAAQS. Therefore, in the context of a request for redesignation, the EPA will not relax the gasoline volatility standard unless the state requests a relaxation and the maintenance plan demonstrates to the satisfaction of the EPA that the area will maintain attainment for ten years without the need for the more stringent volatility standard.

North Carolina requested relaxation of the federal RVP gasoline standard from 7.8 psi to 9.0 psi for Mecklenburg and Gaston counties concurrent with its request that the EPA approve a redesignation request and maintenance plan for the Charlotte area for the 2008 ozone NAAQS.

V. North Carolina's Request To Relax the Federal Gasoline RVP Requirement for Mecklenburg and Gaston Counties

On March 11, 2015, the state of North Carolina, through the North Carolina Department of Environment and Natural Resources (NCDENR), submitted a redesignation request and maintenance plan for the Charlotte area, which was classified as Marginal for the 2008 ozone NAAQS. Mecklenburg and Gaston counties are part of the Charlotte area. Additionally, the state submitted a CAA section 110(l) non-interference demonstration that removal of the federal RVP requirement of 7.8 psi for gasoline during the summertime ozone season in Mecklenburg and Gaston counties would not interfere with maintenance of any NAAQS, including the 2008 ozone NAAQS. Specifically, the state provided a technical demonstration showing that relaxing the federal gasoline RVP requirement in the two counties from 7.8 psi to 9.0 psi would not interfere with maintenance of the ozone NAAQS in the Charlotte area or with any other applicable requirement of the CAA.

In a rulemaking that was signed on July 17, 2015, the EPA evaluated and approved North Carolina's March 11, 2015 redesignation request and maintenance plan for the Charlotte area. See Docket ID. No. EPA-R04-OAR-2015-0275. In a separate rulemaking signed on July 17, 2015, the EPA approved North Carolina's non-interference demonstration for Mecklenburg and Gaston counties. See Docket ID. No. EPA-R04-OAR-2015-0260.²

Both rulemakings were subject to public notice-and-comment. The EPA received two comments on the redesignation request and maintenance plan rulemaking, and those comments were addressed in the final rule for that rulemaking. The comments received can be found in the docket for that rulemaking (Docket ID. No. EPA-R04-OAR-2015-0275). No comments were received on the non-interference demonstration for Mecklenburg and Gaston counties (Docket ID. No. EPA-R04-OAR-2015-0260).

In this action, the EPA is taking the second and final step in the process to approve North Carolina's request to relax the summertime ozone season gasoline RVP standard for Mecklenburg and Gaston counties from 7.8 psi to 9.0 psi. Specifically, the EPA is amending the applicable gasoline RVP standard from 7.8 psi to 9.0 psi provided at 40

CFR 80.27(a)(2) for the two counties. This action to approve North Carolina's request to relax the summertime ozone season RVP standard for Mecklenburg and Gaston counties from 7.8 psi to 9.0 psi is based on the EPA's previous approval of North Carolina's March 11, 2015 redesignation request and maintenance plan for the Charlotte area, as well as the non-interference demonstration. This approval is also based on the fact that the Charlotte area is currently in attainment for both the 1997 ozone NAAQS and the 2008 ozone NAAQS.

VI. Final Action

The EPA is taking direct final action to approve the request from North Carolina for the EPA to relax the RVP applicable to gasoline introduced into commerce from June 1 to September 15 of each year in Mecklenburg and Gaston counties. Specifically, this action amends the applicable gasoline RVP standard from 7.8 psi to 9.0 psi provided at 40 CFR 80.27(a)(2) for Mecklenburg and Gaston counties.

The EPA is making this revision without prior proposal because the EPA views the revision as noncontroversial and anticipates no adverse comment. However, in the Proposed Rules section of this **Federal Register**, the EPA is publishing a separate document that will serve as the proposal to approve this revision to the gasoline RVP standard that applies in Mecklenburg and Gaston counties should adverse comments be filed. This rule will become effective October 16, 2015 without further notice unless the EPA receives adverse comments by September 16, 2015.

If the EPA receives adverse comments on the rule or any portion of the rule, the EPA will withdraw the direct final rule or the portion of the rule that received adverse comment. The EPA will publish a timely withdrawal in the **Federal Register** indicating which provisions will become effective and which provisions are being withdrawn. All public comments received will then be addressed in a subsequent final rule based on the proposed rule. The EPA will not institute a second comment period on the subsequent final action. Any parties interested in commenting must do so at this time. If no such comments are received, the public is advised that this rule will become effective on October 16, 2015 and no further action will be taken on the proposed rule.

² On March 11, 2015, the NCDENR requested that the EPA parallel process the approval of the submission.

VII. Statutory and Executive Order Reviews

A. Executive Order 12866: Regulatory Planning and Review and Executive Order 13563: Improving Regulation and Regulatory Review

This action is not a “significant regulatory action” under the terms of Executive Order 12866 (58 FR 51735, October 4, 1993) and is therefore not subject to review under Executive Orders 12866 and 13563. (76 FR 3821, January 21, 2011).

B. Paperwork Reduction Act

This action does not impose any new information collection burden under the provisions of the *Paperwork Reduction Act*, 44 U.S.C. 3501 *et seq.*, and therefore is not subject to these requirements.

C. Regulatory Flexibility Act (RFA)

I certify that this action will not have a significant economic impact on a substantial number of small entities under the RFA. In making this determination, the impact of concern is any significant adverse economic impact on small entities. An agency may certify that a rule will not have a significant economic impact on a substantial number of small entities if the rule relieves regulatory burden, has no net burden or otherwise has a positive economic effect on the small entities subject to the rule. The small entities subject to the requirements of this action are refiners, importers or blenders of gasoline that choose to produce or import low RVP gasoline for sale in North Carolina and gasoline distributors and retail stations in North Carolina. This action relaxes the federal RVP standard for gasoline sold in Mecklenburg and Gaston counties during the summertime ozone season (June 1 to September 15 of each year) to allow the RVP for gasoline sold in Mecklenburg and Gaston counties to rise from 7.8 psi to 9.0 psi. This rule does not impose any requirements or create impacts on small entities beyond those, if any, already required by or resulting from the CAA section 211(h) Volatility Control program. We have therefore concluded that this action will have no net regulatory burden for all directly regulated small entities.

D. Unfunded Mandates Reform Act (UMRA)

This final rule does not contain an unfunded mandate of \$100 million or more as described in UMRA, 2 U.S.C. 1531–1538, and does not significantly or uniquely affect small governments. The action implements mandates

specifically and explicitly set forth in CAA section 211(h) without the exercise of any policy discretion by the EPA.

E. Executive Order 13132 (Federalism)

This action does not have federalism implications. It will not have substantial direct effects on the states, on the relationship between the national government and the states, or on the distribution of power and responsibilities among the various levels of government.

F. Executive Order 13175: Consultation and Coordination With Indian Tribal Governments

This action does not have tribal implications, as specified in Executive Order 13175 (65 FR 67249, November 9, 2000). This final rule affects only those refiners, importers or blenders of gasoline that choose to produce or import low RVP gasoline for sale in the Birmingham area and gasoline distributors and retail stations in the Birmingham area. Thus, Executive Order 13175 does not apply to this action.

G. Executive Order 13045: Protection of Children From Environmental Health and Safety Risks

The EPA interprets Executive Order 13045 as applying only to those regulatory actions that concern environmental health or safety risks that the EPA has reason to believe may disproportionately affect children, per the definition of “covered regulatory action” in section 2–202 of the Executive Order. This action is not subject to Executive Order 13045 because it approves a state program.

H. Executive Order 13211: Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use

This action is not subject to Executive Order 13211 because it is not a significant regulatory action under Executive Order 12866.

I. National Technology Transfer Advancement Act

This action does not involve technical standards.

J. Executive Order 12898: Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations

The EPA believes the human health or environmental risk addressed by this action will *not* have potential disproportionately high and adverse human health or environmental effects on minority, low-income or indigenous

populations because it does not affect the applicable ozone NAAQS which establish the level of protection provided to human health or the environment. This rule will relax the applicable volatility standard of gasoline during the summer, possibly resulting in slightly higher mobile source emissions. However, the state of North Carolina has demonstrated in its non-interference demonstration that this action will not interfere with maintenance of the ozone NAAQS in the Charlotte-Gastonia-Salisbury, North Carolina 2008 ozone area, or with any other applicable requirement of the CAA. Mecklenburg and Gaston counties are part of the Charlotte-Gastonia-Salisbury, North Carolina 2008 ozone area. Therefore, disproportionately high and adverse human health or environmental effects on minority or low-income populations are not an anticipated result. The results of this evaluation are contained in Section V. of this direct final rule. A copy of North Carolina's March 11, 2015 letter requesting that the EPA relax the gasoline RVP standard, including the technical analysis demonstrating that the less stringent gasoline RVP in the Mecklenburg and Gaston counties would not interfere with continued maintenance of the 2008 ozone NAAQS in the Charlotte-Gastonia-Salisbury, North Carolina ozone area, or with any other applicable CAA requirement, has been placed in the public docket for this action.

K. Congressional Review Act (CRA)

This action is subject to the CRA, and the EPA will submit a rule report to each House of the Congress and to the Comptroller General of the United States. This action is not a “major rule” as defined by 5 U.S.C. 804(2).

L. Petitions for Judicial Review

Under section 307(b)(1) of the Clean Air Act, petitions for judicial review of this action must be filed in the United States Court of Appeals for the appropriate circuit by September 16, 2015. Filing a petition for reconsideration by the Administrator of this direct final rule does not affect the finality of this action for the purposes of judicial review nor does it extend the time within which a petition for judicial review may be filed, and shall not postpone the effectiveness of such rule or action. Parties with objections to this direct final rule are encouraged to file a comment in response to the parallel document of proposed rulemaking for this action published in the Proposed Rules section of this **Federal Register**, rather than file an immediate petition

for judicial review of this direct final rule, so that the EPA can withdraw this direct final rule and address the comment in the proposed rulemaking. This action may not be challenged later in proceedings to enforce its requirements. See CAA section 307(b)(2).

VIII. Legal Authority and Statutory Provisions

The statutory authority for this action is granted to the EPA by Sections 211(h) and 301(a) of the Clean Air Act, as amended; 42 U.S.C. 7545(h) and 7601(a).

List of Subjects in 40 CFR Part 80

Environmental protection,
Administrative practice and procedures,

Air pollution control, Fuel additives, Gasoline, Motor vehicle and motor vehicle engines, Motor vehicle pollution, Penalties, Reporting and recordkeeping requirements.

Dated: August 5, 2015.

Gina McCarthy,
Administrator.

For the reasons discussed in the preamble, the Environmental Protection Agency is amending 40 CFR part 80 as follows:

PART 80—REGULATION OF FUELS AND FUEL ADDITIVES

■ 1. The authority citation for part 80 continues to read as follows:

Authority: 42 U.S.C. 7414, 7521, 7542, 7545, and 7601(a).

■ 2. In § 80.27(a)(2)(ii), the table is amended by:

■ a. Removing the entry for North Carolina and footnotes 6 and 7;

■ b. Redesignating footnote 8 as footnote 6;

■ c. Adding a new entry in alphabetical order for North Carolina and a new footnote 7.

The additions read as follows:

§ 80.27 Controls and prohibitions on gasoline volatility.

(a) * * *

(2) * * *

(ii) * * *

APPLICABLE STANDARDS¹ 1992 AND SUBSEQUENT YEARS

State	May	June	July	August	September
North Carolina ⁷	9.0	9.0	9.0	9.0	9.0

¹ Standards are expressed in pounds per square inch (psi).

⁷ The standard for Mecklenburg and Gaston Counties from June 1 until September 15 in 1992 through October 16, 2015 was 7.8 psi.

[FR Doc. 2015-20243 Filed 8-14-15; 8:45 am]

BILLING CODE 6560-50-P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 180

[EPA-HQ-OPP-2015-0017; FRL-9930-16]

Lavandulyl Senecioate; Exemption From the Requirement of a Tolerance

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: This regulation establishes an exemption from the requirement of a tolerance for residues of the arthropod pheromone, lavandulyl senecioate, in or on all raw agricultural commodities when applied or used in microbeads/dispensers at a rate not to exceed 150 grams active ingredient/acre/year in accordance with good agricultural practices. Suterra, LLC submitted a petition to EPA under the Federal Food, Drug, and Cosmetic Act (FFDCA), requesting an exemption from the requirement of a tolerance. This regulation eliminates the need to establish a maximum permissible level for residues of lavandulyl senecioate.

DATES: This regulation is effective August 17, 2015. Objections and requests for hearings must be received on or before October 16, 2015, and must be filed in accordance with the instructions provided in 40 CFR part 178 (see also Unit I.C. of the **SUPPLEMENTARY INFORMATION**).

ADDRESSES: The docket for this action, identified by docket identification (ID) number EPA-HQ-OPP-2015-0017, is available at <http://www.regulations.gov> or at the Office of Pesticide Programs Regulatory Public Docket (OPP Docket) in the Environmental Protection Agency Docket Center (EPA/DC), West William Jefferson Clinton Bldg., Rm. 3334, 1301 Constitution Ave. NW., Washington, DC 20460-0001. The Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Public Reading Room is (202) 566-1744, and the telephone number for the OPP Docket is (703) 305-5805. Please review the visitor instructions and additional information about the docket available at <http://www.epa.gov/dockets>.

FOR FURTHER INFORMATION CONTACT: Robert McNally, Biopesticides and Pollution Prevention Division (7511P), Office of Pesticide Programs, Environmental Protection Agency, 1200

Pennsylvania Ave. NW., Washington, DC 20460-0001; main telephone number: (703) 305-7090; email address: BPPDFRNotices@epa.gov.

SUPPLEMENTARY INFORMATION:

I. General Information

A. Does this action apply to me?

You may be potentially affected by this action if you are an agricultural producer, food manufacturer, or pesticide manufacturer. The following list of North American Industrial Classification System (NAICS) codes is not intended to be exhaustive, but rather provides a guide to help readers determine whether this document applies to them. Potentially affected entities may include:

- Crop production (NAICS code 111).
- Animal production (NAICS code 112).
- Food manufacturing (NAICS code 311).
- Pesticide manufacturing (NAICS code 32532).

B. How can I get electronic access to other related information?

You may access a frequently updated electronic version of 40 CFR part 180 through the Government Printing Office's e-CFR site at <http://>

[FR Doc. 2014-11490 Filed 5-21-14; 8:45 am]
BILLING CODE 6560-50-P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 80

[EPA-HQ-OAR-2013-0787; FRL-9911-13-OAR]

Approval of States' Requests To Relax the Federal Reid Vapor Pressure Volatility Standard in Florida, and the Raleigh-Durham-Chapel Hill and Greensboro/Winston-Salem/High Point Areas in North Carolina

AGENCY: The Environmental Protection Agency (EPA).

ACTION: Withdrawal of direct final rule.

SUMMARY: Due to the receipt of adverse comments, the Environmental Protection Agency (EPA) is withdrawing the March 31, 2014, direct final rule to approve requests from Florida and North Carolina for the EPA to relax the Reid Vapor Pressure (RVP) Standard applicable to gasoline introduced into commerce from June 1 to September 15 of each year in six counties in Florida, and in counties in the Raleigh-Durham-Chapel Hill Area (also referred to as the "Triangle Area") and the Greensboro/Winston-Salem/High Point Area (also referred to as the "Triad Area") in North Carolina. The EPA is considering these comments and will address the comments in a subsequent action that is to be published soon. The EPA will not institute a second comment period on this action.

DATES: The direct final rule published at 79 FR 17889 on March 31, 2014, is withdrawn as of May 22, 2014.

FOR FURTHER INFORMATION CONTACT: Rudolph Kapichak, Office of Transportation and Air Quality, Environmental Protection Agency, 2000 Traverwood Drive, Ann Arbor, MI 48105; telephone number: 734-214-4574; fax number 734-214-4052; email address: kapichak.rudolph@epa.gov.

SUPPLEMENTARY INFORMATION: On March 31, 2014 (79 FR 17889), the EPA published a direct final rule approving a request from Florida to change the summertime RVP standard for Broward, Dade, Duval, Hillsborough, Palm Beach and Pinellas counties in Florida from 7.8 psi to 9.0 psi by amending the EPA's regulations at 40 CFR 80.27(a)(2). Additionally, in that direct final rule the EPA approved a request from North Carolina to change the summertime RVP standard for the Triangle and Triad Areas from 7.8 psi to 9.0 psi by amending the EPA's regulations at 40

CFR 80.27(a)(2). The Triangle Area is comprised of Durham and Wake Counties, and the Dutchville Township portion of Granville County. The Triad Area is comprised of the counties of Davidson, Forsyth and Guilford in their entirety, and the portion of Davie County bounded by the Yadkin River, Dutchmans Creek, North Carolina Highway 801, Fulton Creek and back to Yadkin River. In previous rulemakings, the EPA approved state implementation plan revisions from Florida and North Carolina which provided technical analyses that demonstrated that removal of the Federal RVP requirements of 7.8 psi for gasoline sold between June 1 and September 15 of each year in the six counties in Florida, and the North Carolina Triangle and Triad Areas would not interfere with maintenance of the national ambient air quality standards in these areas. In the direct final rule, the EPA stated that if adverse comments were received by April 30, 2014, the rule would be withdrawn and not take effect. On March 29, 2014, the EPA received a comment letter. The EPA interprets the comments in that letter as adverse and, therefore, the EPA is withdrawing the direct final rule. The EPA will address these comments in a separate final action based upon the proposed rulemaking action at 79 FR 17966 (March 31, 2014). The EPA will not institute a second comment period on this action.

Accordingly, the amendment to 40 CFR 80.27 which published in the *Federal Register* on March 31, 2014, at 79 FR 17895 is withdrawn as of May 22, 2014.

Dated: May 15, 2014.

Gina McCarthy,
Administrator.

[FR Doc. 2014-11910 Filed 5-21-14; 8:45 am]
BILLING CODE 6560-50-P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 80

[EPA-HQ-OAR-2013-0787; FRL-9911-12-OAR]

Approval of States' Requests To Relax the Federal Reid Vapor Pressure Volatility Standard in Florida, and the Raleigh-Durham-Chapel Hill and Greensboro/Winston-Salem/High Point Areas in North Carolina

AGENCY: The Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: The Environmental Protection Agency (EPA) is taking final action to

approve requests from Florida and North Carolina for the EPA to relax the Reid Vapor Pressure (RVP) Standard applicable to gasoline introduced into commerce from June 1 to September 15 of each year in six counties in Florida, and in counties in the Raleigh-Durham-Chapel Hill Area (also referred to as the "Triangle Area") and the Greensboro/Winston-Salem/High Point Area (also referred to as the "Triad Area") in North Carolina. Specifically, the EPA is approving amendments to the regulations to change the RVP standard for six counties in Florida, and for the counties in the Triangle and Triad Areas from 7.8 pounds per square inch (psi) to 9.0 psi for gasoline. Additionally, the EPA is responding to adverse comments received for this action. The EPA has determined that these changes to the Federal RVP regulation are consistent with the applicable provisions of the Clean Air Act (CAA or Act).

DATES: This final rule will become effective on May 30, 2014.

ADDRESSES: The EPA has established a docket for this action under Docket Identification No. EPA-HQ-OAR-2013-0787. All documents in the docket are listed on the www.regulations.gov Web site. Although listed in the index, some information is not publicly available, i.e., Confidential Business Information or other information whose disclosure is restricted by statute. Certain other material, such as copyrighted material, is not placed on the Internet and will be publicly available only in hard copy form. Publicly available docket materials are available either electronically through www.regulations.gov or in hard copy at the Air Docket, EPA/DC, EPA West, Room 3334, 1301 Constitution Ave. NW., Washington, DC. The Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Public Reading Room is (202) 566-1744, and the telephone number for the Air Docket is (202) 566-1742.

FOR FURTHER INFORMATION CONTACT: Rudolph Kapichak, Office of Transportation and Air Quality, Environmental Protection Agency, 2000 Traverwood Drive, Ann Arbor, MI 48105; telephone number: (734) 214-4574; fax number (734) 214-4052; email address: kapichak.rudolph@epa.gov.
SUPPLEMENTARY INFORMATION: *Organization of this document.* The following outline is provided to aid in locating information in this preamble.

Table of Contents

I. General Information

EXHIBIT B

Regulatory Analysis Form (Completed by Promulgating Agency)		INDEPENDENT REGULATORY REVIEW COMMISSION	
(All Comments submitted on this regulation will appear on IRRC's website)			
(1) Agency Environmental Protection			
(2) Agency Number: Identification Number: 7-529		IRRC Number:	
(3) PA Code Cite: 25 Pa. Code Chapters 121 and Chapter 126, Subchapter C			
(4) Short Title: Repeal of Gasoline Volatility Requirements			
(5) Agency Contacts (List Telephone Number and Email Address): Primary Contact: Laura Edinger, 783-8727, ledinger@pa.gov Secondary Contact: Jessica Shirley, 783-8727, jessshirley@pa.gov			
(6) Type of Rulemaking (check applicable box): <input checked="" type="checkbox"/> Proposed Regulation <input type="checkbox"/> Final Regulation <input type="checkbox"/> Final Omitted Regulation		<input type="checkbox"/> Emergency Certification Regulation; <input type="checkbox"/> Certification by the Governor <input type="checkbox"/> Certification by the Attorney General	
(7) Briefly explain the regulation in clear and nontechnical language. (100 words or less) <p>The proposed rulemaking would repeal 25 Pa. Code Chapter 126, Subchapter C (relating to gasoline volatility requirements) as codified in §§ 126.301—126.303 (relating to compliant fuel requirements; recordkeeping and reporting; and compliance and test methods) to remove requirements for gasoline with a Reid vapor pressure (RVP) of 7.8 pounds per square inch (psi) or less (low RVP gasoline) to be sold in the Pittsburgh-Beaver Valley Area between May 1 and September 15 of each year. The seven-county Pittsburgh-Beaver Valley Area includes Allegheny, Armstrong, Beaver, Butler, Fayette, Washington, and Westmoreland Counties. Gasoline vapors include volatile organic compound (VOC) emissions. VOCs are a precursor to the formation of ground-level ozone air pollution and fine particulate matter (PM_{2.5}), both hazards to public health and welfare. Gasoline formulated with an RVP of 7.8 psi has lower VOC emissions than gasoline formulated at higher RVP levels. The Chapter 126, Subchapter C requirements were approved by the U.S. Environmental Protection Agency (EPA) as a revision to the Commonwealth's State Implementation Plan (SIP) at 63 Federal Register (FR) 31116 on June 8, 1998, as a control measure to attain and maintain the 1979 1-hour Ozone National Ambient Air Quality Standards (NAAQS) in the Pittsburgh-Beaver Valley Area to protect the public health and welfare.</p> <p>On May 14, 2014, the Pennsylvania General Assembly enacted an amendment to the Pennsylvania Air Pollution Control Act (APCA or act) that directs the Department of Environmental Protection (Department, DEP) to initiate the process of amending the Commonwealth's SIP. Upon approval of a revision which demonstrates continued compliance with Federal NAAQS through the use of commensurate emission reductions by the EPA, the Environmental Quality Board (Board) shall promulgate regulations to repeal the</p>			

provisions of Chapter 126, Subchapter C. According to the Senate Co-Sponsorship Memorandum for Senate Bill 1037¹, dated June 5, 2013, the legislation was proposed to address the price differential between low RVP gasoline and conventional gasoline in the Pittsburgh-Beaver Valley Area, cited by the legislative sponsors as being as much as a 10 to 15 cents per gallon (cpg) price difference between the two fuels.

This proposed rulemaking addresses the legislative mandate to promulgate regulations to repeal the provisions of Chapter 126, Subchapter C. If published as a final-form regulation in the *Pennsylvania Bulletin*, this proposed rulemaking will be submitted to the EPA for approval as a revision to the Commonwealth's SIP. The Department is proceeding with the demonstration of continued compliance with the NAAQS through the use of commensurate emission reductions separately from this rulemaking action of proposing to repeal the regulations codified at §§ 126.301—126.303.

The proposed rulemaking would also delete terms and definitions from 25 *Pa. Code* § 121.1 (relating to definitions) that only support Chapter 126, Subchapter C.

(8) State the statutory authority for the regulation. Include specific statutory citation.

The proposed rulemaking is authorized under Section 5(a)(1) of the APCA (35 P.S. § 4005(a)(1)), which grants the Board the authority to adopt rules and regulations for the prevention, control, reduction and abatement of air pollution in this Commonwealth; Section 5(a)(8) of the APCA (35 P.S. § 4005(a)(8)), which grants the Board the authority to adopt rules and regulations designed to implement the provisions of the Federal Clean Air Act (CAA); and (18.3) of the APCA (35 P.S. § 4004(18.3)), which requires the Department to “within sixty (60) days of the effective date of this clause, initiate the process of amending the State implementation plan. Upon approval of a revision which demonstrates continued compliance with Federal national ambient air quality standards through utilization of commensurate emission reductions by the Environmental Protection Agency, the board [Environmental Quality Board] shall promulgate regulations to repeal the provisions of 25 *Pa. Code* Ch. 126 Subch. C (relating to gasoline volatility requirements).”

(9) Is the regulation mandated by any federal or state law or court order, or federal regulation? Are there any relevant state or federal court decisions? If yes, cite the specific law, case or regulation as well as any deadlines for action.

Yes, this proposed rulemaking is mandated by state law. There are no relevant state or Federal court decisions relating to the proposed rulemaking. The Pennsylvania General Assembly passed Act 50 of 2014 (Act of May 14, 2014, P.L. 674, No. 50) which amended the Pennsylvania APCA to require the Department to “within sixty (60) days of the effective date of this clause, initiate the process of amending the State implementation plan. Upon approval of a revision which demonstrates continued compliance with Federal national ambient air quality standards through utilization of commensurate emission reductions by the Environmental Protection Agency, the board shall promulgate regulations to repeal the provisions of 25 *Pa. Code* Ch. 126 Subch. C (relating to gasoline volatility requirements).” The clause was effective May 14, 2014.

¹Senate Co-Sponsorship Memoranda – Repeal of Summer RVP Gas. Pennsylvania State Senate.
<http://www.legis.state.pa.us/cfdocs/Legis/CSM/showMemoPublic.cfm?chamber=S&SPick=20130&cosponId=12920>. Accessed August 1, 2016.

Estimated Cost Savings for Relaxation of the Federal Reid Vapor Pressure (RVP) Gasoline Volatility Standard for 13-county Atlanta, Georgia Area

August 26, 2019

Purpose of paper

To describe the methodology for quantifying potential cost savings for OTAQ's final rule to respond to Georgia's request to relax the federal summertime Reid Vapor Pressure (RVP) standard in the 13-county Atlanta, GA area. This paper documents the estimated savings of this final rule under E.O. 13771.

Background on the final rule

The final rule, "Relaxation of Federal Reid Vapor Pressure (RVP) Gasoline Volatility Standard for the Atlanta RVP Area" is the final step in response to a request by Georgia. Georgia's request contained the requisite information and data to support the relaxation of the RVP standard for summertime gasoline from 7.8 pounds per square inch (psi) to 9.0 psi in the Atlanta area. This action removes a regulatory burden and reduces the cost to produce gasoline that is sold in the Atlanta area during the summer ozone season, from June 1st through September 15th of each year. The final rule removes the federal low RVP requirement and can be considered a routine administrative action.

Methodology

The cost methodology described below applies an estimated per-gallon cost savings for removing the low RVP requirement in the Atlanta area to the estimated gasoline consumption there to estimate the overall cost savings.

Estimated Per-Gallon Cost

The estimated cost savings for relaxing the low RVP requirement in the Atlanta area is based on a cost study for Tier 3 sulfur control authored by Mathpro.¹ However, a review of the study revealed that several adjustments were necessary to adapt the RVP costs in the Mathpro study to this analysis.

- The capital cost additions and associated fixed costs estimated by Mathpro for adding a low RVP program would not apply for removing the low RVP requirement because the capital costs are sunk. The capital and fixed operating costs represent about 42 percent of the 3.9 cents/gallon (c/gal) cost for the low RVP program, so a 0.58 factor was applied to exclude the capital and fixed costs.

¹ "Refining Economics of a National Low Sulfur, Low RVP Gasoline Standard, Study performed for the International Council for Clean Transportation," Mathpro Inc., October 25, 2011.

- The Mathpro analysis costed out a decrease of 1 psi (9 to 8 psi), while the Atlanta area RVP relaxation would be a 1.2 psi (7.8 to 9 psi) increase. The Mathpro RVP costs were ratioed up by a factor of 1.2 to account for the RVP increase in the Atlanta area.
- The Mathpro RVP cost analysis was conducted when crude oil prices were higher and therefore used a crude oil price of \$90/barrel (bbl). U.S. refinery crude oil purchases of Brent on the spot market have recently been approximately \$65/bbl. EIA's June 11, 2019 Short Term Energy Outlook reported the price of Brent Crude as \$66.69/bbl. This is the price EPA used in this analysis. To adjust for the lower crude oil prices in 2019, the Mathpro RVP cost was adjusted by a ratio of 66.69/90. Using a ratio of crude oil prices as an adjustment is reasonable because most of the cost of RVP control is attributed to the lower value of butane when it is removed from gasoline, and butane is usually priced proportional to crude oil prices. This adjustment also effectively adjusts the Mathpro study from 2010 dollars to current year dollars.

These various adjustments result in an estimated cost savings of 2.03 cents per gallon when the low RVP requirement in the Atlanta area is relaxed.

Gasoline Consumption in the 13-county Atlanta Area

Specific gasoline consumption data is not available for small regions of the country, such as the 13-county Atlanta area, so it is estimated using population data and overall gasoline consumption.

- In 2018, the gasoline consumption in the U.S. was 374.6 million gallons per day.² ○ Summertime gasoline consumption accounts for about 46% of total gasoline consumption during the year.³
- According to the 2010 Census, the U.S. population was 308.7 million people in 2010.³ Based on the growth in the U.S. population between 2000 and 2010, the U.S. population is estimated to be 336 million in 2020.
- Applying the same methodology as used for the U.S. population, the population of the 13-county Atlanta area is estimated to be approximately 5.4 million people, or about 1.6% of the population of the entire U.S.⁴

Applying the ratio of the estimated population of the Atlanta area to that of the entire U.S. to U.S. gasoline demand and reducing the volume further by the 46 percent factor to account for summertime gasoline volume, the 13-county Atlanta area is estimated to consume about 1 billion gallons of gasoline during June 1 to September 15, 2018.

² Energy Information Administration – Prime Supplier Sales Volume ³
Gasoline batch reporting data refiners report to EPA.

³ U.S. Department of Census data.

⁴ Ibid.

Overall Cost Savings

The overall cost savings in 2020, the first year that the RVP relaxation will apply in the Atlanta area is approximately \$20.5 million, which is the product of the per-gallon cost and the gasoline consumption. Since this is a step change in gasoline properties which will carry on indefinitely, the cost savings are projected into the future making some important adjustments, and then discounted back to the present.

- Based on Energy Information Agency (EIA) projections, the price of crude oil will increase in the future (increasing to \$107.90/bbl in 2050), so the per-gallon savings for the Atlanta RVP relaxation will increase over time. The per-gallon savings are adjusted in future years based on the ratio of the projected crude oil price in a future year to the crude oil price in 2020 (\$73.3/bbl).
- Based on EIA projections, gasoline consumption will trend slightly downward before slowly turning upward in 2043 due to increased economic activity.
- The future costs are projected out to 2050 which is the last year that EIA projects crude oil prices and gasoline consumption.⁵

The total cost savings for 2020 to 2050, discounted back to 2020 using a 3% discount rate is \$399 million, and based on a 7% discount rate is \$228.7 million.

Atlanta RVP Relaxation:
Undiscounted Cost Savings (2020-2050)

Year	Costs Savings (in 2016\$)
2020	\$20,151,600
2021	\$20,138,322
2022	\$19,775,878
2023	\$19,825,985
2024	\$20,162,852
2025	\$20,264,593
2026	\$20,638,952
2027	\$20,887,853
2028	\$20,973,565
2029	\$21,049,702

⁵ EPA typically evaluates the costs and benefits of its proposed and final regulations using AEO projections through the last year of the AEO projections.

2030	\$21,088,995
2031	\$21,122,999
2032	\$21,182,768
2033	\$21,211,581
2034	\$21,241,936
2035	\$21,275,770
2036	\$21,342,948
2037	\$21,417,677
2038	\$21,530,047
2039	\$21,653,088
2040	\$21,754,382
2041	\$21,867,681
2042	\$21,993,690
2043	\$22,130,885
2044	\$22,281,706
2045	\$22,414,302
2046	\$22,526,425
2047	\$22,682,244
2048	\$22,789,301
2049	\$22,875,284
2050	\$22,907,797
Totals	\$663,160,806

Estimated Cost Savings for Relaxation of the Federal Reid Vapor Pressure (RVP) Gasoline Volatility Standard for the 5-Parish Baton Rouge, Louisiana Area

9/5/2018

Purpose of paper

To describe the methodology for quantifying potential cost savings for OTAQ's final rule to respond to the State of Louisiana's request to relax the federal Reid Vapor Pressure (RVP) standard which applies to summertime gasoline in the 5-parish Baton Rouge, LA Area.

Background on final rule

The final rule, "Approval of Louisiana's Request to Relax the Federal Reid Vapor Pressure (RVP) Gasoline Standard for the Baton Rouge Area" is the final step in response to a request by the Louisiana Department of Environmental Quality (LDEQ). LDEQ's request contained the requisite information and data to support the relaxation of the RVP standard for summertime gasoline from 7.8 pounds per square inch (psi) to 9.0 psi in the five Louisiana parishes of East Baton Rouge, West Baton Rouge, Livingston, Ascension, and Iberville which comprise the Baton Rouge Area. This action would remove a regulatory burden and would reduce the cost to produce gasoline that is sold in the Baton Rouge Area during the summer ozone season, from June 1st through September 15th of each year. Since this final rule is removing the federal low RVP requirement in the Area, it can be considered a routine administrative action.

Methodology

The cost methodology described below applies an estimated per-gallon cost savings for removing the low RVP requirement in the Baton Rouge Area to the estimated gasoline consumption there to estimate the overall cost savings.

Estimated Per-Gallon Cost

The estimated cost savings for waiving the Baton Rouge Area's low RVP program was based on a cost study for Tier 3 sulfur control conducted by Mathpro.⁶ However, a review of the study revealed that several adjustments were necessary to adapt the RVP costs in the Mathpro study to this analysis.

- The capital cost additions and associated fixed costs estimated by Mathpro for adding a low RVP program would not apply for removing the low RVP requirement because

⁶ Refining Economics of a National Low Sulfur, Low RVP Gasoline Standard, Study performed for The International Council for Clean Transportation," Mathpro Inc., October 25, 2011.

the capital costs are sunk. The capital and fixed operating costs represent about 42 percent of the 3.9 cents/gallon (c/gal) cost for the low RVP program, so a 0.58 factor was applied to exclude the capital and fixed costs.

- The Mathpro analysis costed out a decrease of 1 psi (9 to 8 psi), while the Baton Rouge Area RVP relaxation would be a 1.2 psi (7.8 to 9 psi) increase. The Mathpro RVP costs were ratioed up by a factor of 1.2 to account for the RVP increase for the Baton Rouge Area.
- The Mathpro RVP cost analysis was conducted when crude oil prices were higher and therefore used a crude oil price of \$90/barrel (bbl). U.S. refinery crude oil purchases in much of 2018 have averaged in the \$60/bbl to slightly over \$70/bbl so far in 2018. The August 8th Short term energy outlook placed the cost of Brent at \$71.74/bbl. To adjust for the lower crude oil prices in 2017, the Mathpro RVP cost was adjusted by a ratio of 71.74/90. Using a ratio of crude oil prices as an adjustment is reasonable because most of the cost of RVP control is attributed to the lower value of butane when it is removed from gasoline, and butane is usually priced proportional to crude oil prices. This adjustment also effectively adjusts the Mathpro study from 2010 dollars to current year dollars.

These various adjustments result in an estimated cost savings of 2.18 cents per gallon when the low RVP program in the Baton Rouge Area is relaxed.

Baton Rouge Area's Gasoline Consumption

Specific gasoline consumption data is not available for small regions of the country, such as the Baton Rouge Area, so it is estimated using population data and overall gasoline consumption.

- Based on the Energy Information Agency's (EIA's) prime supplier sales volume report for May 2018, the gasoline consumption in the U.S. was 385.7 million gallons per day.
- Summertime gasoline consumption accounts for about 46% of total gasoline consumption during the year.⁷
- According to the 2010 Census, the U.S. population was 308.7 million people in 2010.⁸ Based on the growth in the U.S. population between 2000 and 2010, the U.S. population is estimated to be 333.39 million in 2019.
- Applying the same methodology as used for the U.S. population, the population of the 5-parish Baton Rouge Area is estimated to be just under 820,000 people, or about 0.25% of the population of the entire U.S.⁹

⁷ Based on gasoline batch reporting data refiners report to EPA.

⁸ U.S. Department of Census data.

⁹ Ibid.

Applying the ratio of the estimated Baton Rouge Area population to that of the entire U.S. to U.S. gasoline demand and reducing the volume further by the 46 percent factor to account for summertime gasoline volume, the Baton Rouge Area is estimated to consume about 160 million gallons of gasoline during June 1 to September 15, 2018.

Overall Cost Savings

The undiscounted overall cost savings in 2019, the first year that the RVP relaxation will apply in the Baton Rouge Area is \$3.5 million, which is the product of the per-gallon cost and the gasoline consumption. Since this is a step change in gasoline properties which will carry on indefinitely, the cost savings are projected into the future making some important adjustments, and then discounted back to the present.

- Based on EIA projections, the price of crude oil will increase in the future (increasing to \$114/bbl in 2050), so the per-gallon savings will increase over time. The per gallon savings are adjusted in future years based on the ratio of the projected crude oil price in a future year to the crude oil price in 2018 (\$71.74/bbl).
- Based on EIA projections, gasoline consumption will trend slightly downward before slowly turning upward in 2044, as economic activity increases.
- The future costs are projected out to 2050 which is the last year that EIA projects crude oil prices and gasoline consumption.¹⁰
- The estimated stream of undiscounted costs, adjusted for future crude price and gasoline demand, from 2019 to 2050 are shown in Table 1.

The total cost savings for 2019 to 2050, discounted back to 2018 using a 3 percent discount rate is \$89.5 million, and based on a 7 percent discount rate is \$52.7 million.

¹⁰ EPA typically evaluates the costs and benefits of its proposed and final regulations using AEO projections through the last year of the AEO projections.

Table 1. Undiscounted Cost Savings (2019-2050)

Year	Estimated Cost Savings (2016\$)
2019	\$3,471,329
2020	\$4,234,113
2021	\$4,574,520
2022	\$4,645,940
2023	\$4,658,173
2024	\$4,606,031
2025	\$4,534,844
2026	\$4,512,792
2027	\$4,474,493
2028	\$4,468,163
2029	\$4,456,873
2030	\$4,426,581
2031	\$4,455,319
2032	\$4,437,480
2033	\$4,434,788
2034	\$4,454,193
2035	\$4,458,927
2036	\$4,445,841
2037	\$4,520,428
2038	\$4,543,517
2039	\$4,564,243
2040	\$4,602,872
2041	\$4,644,812
2042	\$4,661,945
2043	\$4,691,794
2044	\$4,747,363
2045	\$4,781,977
2046	\$4,811,790
2047	\$4,866,536
2048	\$4,938,231
2049	\$5,014,805
2050	\$5,070,149