EPA Approves Request from Kentucky for the Removal of the Federal Reformulated Gasoline Program in the Northern Kentucky Area

The U.S. Environmental Protection Agency (EPA) is announcing its approval of a petition by Kentucky to opt-out of the federal reformulated gasoline (RFG) program and remove the requirement to sell RFG in Boone, Campbell, and Kenton counties (the Northern Kentucky Area). This action is effective on July 1, 2018.

As part of the request to opt-out of the federal RFG program in the Northern Kentucky Area, the Kentucky Cabinet for Energy and Environment on behalf of the State of Kentucky, requested a revision to its maintenance plan that included a demonstration that the removal of the federal RFG program would not interfere with maintenance of the 2008 ozone NAAQS in the Northern Kentucky Area or with any other applicable requirement of the Clean Air Act. Region 4 conducted a rulemaking for Kentucky’s state implementation plan (SIP) revision request, and issued its final rule on April 2, 2017 (84 FR 13872).

EPA is approving the federal RFG opt-out request from Kentucky in light of no adverse comments received during Region 4’s rulemaking. EPA’s approval is in conformance with EPA’s regulations, which include the effective date of the federal RFG opt-out (July 1, 2018) be no sooner that 90 days from the effective date of the approval of the SIP revision to the maintenance plan (as described above, April 2, 2018). Region 4’s SIP rulemaking approved Kentucky’s demonstration that the opt-out will not interfere with the maintenance plan for the 2008 ozone NAAQS for the Area.
Key Elements of Approval

- This action approves Kentucky’s petition to opt-out of the federal reformulated gasoline (RFG) program and removes the requirement to sell federal RFG for Boone, Campbell, and Kenton counties in Kentucky (the Northern Kentucky Area). The requirement to sell federal RFG in the Northern Kentucky Area will no longer apply as of July 1, 2018.

- EPA Region 4 recently conducted a rulemaking that approved Kentucky’s SIP revision. The SIP revision rulemaking evaluated whether the removal of the federal RFG program in the Northern Kentucky Area would not interfere with the maintenance plan for the 2008 ozone NAAQS or any other applicable NAAQS. Kentucky submitted the SIP revision with the noninterference demonstration to EPA on September 13, 2017. EPA proposed the approval of the SIP revision on February 14, 2018 (83 FR 6496). EPA finalized its approval of the SIP revision on April 2, 2018 (83 FR 13872).

- Removing the federal RFG requirement for gasoline sold in the Northern Kentucky Area could be beneficial because this action could improve the fungibility of gasoline in the Area. With this approval the gasoline sold in the Northern Kentucky Area can be identical to the fuel sold now in most of the rest of Kentucky. For motorists, the change in the performance of their vehicle will be virtually unnoticed.

Background

The 1990 Clean Air Act (CAA) amendments established specific requirements for the RFG program to reduce ozone levels in certain areas in the country experiencing ground-level ozone or smog problems by reducing vehicle emissions of compounds that form ozone, specifically volatile organic compounds (VOCs). The 1990 CAA amendments directed EPA to issue regulations that specify how gasoline can be “reformulated” so as to result in significant reductions in vehicle emissions of ozone-forming and toxic air pollutants relative to the 1990 baseline fuel, and to require the use of such reformulated gasoline in certain “covered areas.” The CAA defined certain nonattainment areas as “covered areas” which are required to use RFG and provided other areas with an ability to “opt-in” to the RFG program. The CAA provides an opportunity for an area classified as a Marginal, Moderate, Serious, or Severe ozone nonattainment area, or which is in the ozone transport region, to “opt-in” to the RFG program upon application by the governor of the state (or his authorized representative) and subsequent action by EPA.

RFG covered areas as well as RFG opt-in areas are subject to a prohibition on the sale or dispensing by any person of conventional gasoline (non-RFG) to ultimate consumers in the applicable area. The prohibition also includes the sale or dispensing by any refiner, blender, importer, or marketer of conventional gasoline for resale in any covered areas, without segregating the conventional gasoline from RFG and clearly marking conventional gasoline and marking the conventional gasoline as not for sale to ultimate consumers in a covered area.

Kentucky had voluntarily opted Boone, Campbell, and Kenton Counties into the federal RFG program. Kentucky also opted its portion of the Louisville ozone area (Jefferson County and parts of Bullitt and Oldham Counties) into the RFG program; however, today’s action does not affect the use of RFG in the Louisville ozone area.
The Kentucky Cabinet for Energy and Environment on behalf of the State of Kentucky, submitted a request to opt-out of the federal RFG program for the Northern Kentucky Area, and additionally requested a revision to its maintenance plan that included a demonstration that the removal of the federal RFG program would not interfere with maintenance of the NAAQS in the Northern Kentucky Area. Region 4 conducted a rulemaking for Kentucky’s state implementation plan (SIP) revision request and issued an approval of the (for a revised maintenance plan) on April 2, 2017. By separate action, EPA is approving the opt-out of the federal RFG program for the Northern Kentucky Area effective July 1, 2018.

For More Information
You can access the final action and related documents, as well as a current listing of the RFG covered areas and a summary of RFG requirement on the EPA's Office of Transportation and Air Quality Web site at: www.epa.gov/gasoline-standards/reformulated-gasoline.

For further information on EPA’s approval of the federal RFG opt-out for the Northern Kentucky Area, please contact:

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