

State of California
AIR RESOURCES BOARD

Notice of Public Availability of Modified Text

PUBLIC HEARING TO CONSIDER THE ADOPTION OF AMENDMENTS TO THE CALIFORNIA REFORMULATED GASOLINE REGULATIONS TO POSTPONE IMPOSITION OF THE CaRFG3 STANDARDS AND THE PROHIBITION OF MTBE AND OXYGENATES OTHER THAN ETHANOL IN CALIFORNIA GASOLINE FROM DECEMBER 31, 2002 TO DECEMBER 31, 2003

Public Hearing Date: July 25, 2002
Internet Posting Date: September 17, 2002
Public Availability Date: September 17, 2002
Last Day for Supplemental Public Comment: October 2, 2002

At a public hearing held July 25, 2002, the Air Resources Board (the Board or ARB) approved amendments to the California Phase 3 Reformulated Gasoline (CaRFG3) regulations. The amendments will postpone the prohibition of the use of methyl tertiary butyl ether (MTBE) and other oxygenates other than ethanol in California gasoline supplied by refiners and importers from December 31, 2002 to December 31, 2003, postpone the schedule for reducing residual levels of MTBE in CaRFG3 by one year, postpone the imposition of the CaRFG3 standards for gasoline properties for one year, and make various other changes. The proposed amendments were described in detail in the Staff Report (Initial Statement of Reasons for Proposed Rulemaking) released on June 7, 2002.

The Board's action. At the conclusion of the hearing, the Board adopted Resolution 02-25, in which it approved the originally proposed amendments with modifications in three areas. These modifications had been suggested by staff in response to public comments made to staff after issuance of the original proposal. The text of the suggested modifications was contained in a 9-page document entitled "ARB Staff's Suggested Modifications to the Proposed Amendments to the CaRFG3 Regulations," which was distributed at the hearing and was Attachment B to the Resolution. The Resolution and its Attachment B are attached to this Notice as Attachment I. The Resolution directed the Executive Officer to incorporate the modifications into the proposed regulatory text, with such other conforming modifications as may be appropriate, and to make the modified text available for a supplemental comment period.

The approved modifications will postpone, by one year, the date for the reduction of the CaRFG3 sulfur content cap limit from 60 ppm to 30 ppm, retain the original 2002 date for the removal of the month of October from the wintertime oxygen requirement in the South Coast area, and delay by one-month the start of the 2003 Reid vapor pressure (RVP) season in Southern California for production and import facilities that are making the transition from MTBE gasoline to ethanol gasoline on the original MTBE phase-out schedule.

Subsequent to the hearing, the staff concluded that the modified text should spell out in more detail how the conditional one-month delay of the start of the 2003 RVP season in Southern California will work for gasoline producers and importers complying early with the MTBE ban and the CaRFG3 standards. Accordingly, the staff has drafted additional proposed modifications to section 2262.4(b)(2)(A), title 13, California Code of Regulations (CCR), under which a gasoline producer or importer would have the option of electing to have the March 1 start of the RVP season delayed until April 1 in either 2003 or 2004 (but not both) at each production and import facility. If the delay occurs in 2003, it would only apply to gasoline designated as subject to the CaRFG3 standards, and to CaRFG2 that is produced without the use of MTBE or other oxygenates other than ethanol.

The staff has also identified another set of post-hearing modifications that are necessary to correct drafting errors associated with how the seasonal RVP standard applies under the CaRFG3 standards. These modifications, to section 2262.4(b)(1), title 13, CCR, will assure that producers and importers can effectively use the CaRFG3 Predictive Model if they choose to do so before 2004. The modifications also clearly identify the seasonal applicability of the RVP limits when the evaporative emissions model element of the CaRFG3 Predictive Model is used. The modifications are designed to reflect the common understanding of how the CaRFG3 standards will apply.

Modified text being made available. Attachment II to this notice contains the proposed regulatory text showing the Board-approved and post-hearing modifications, along with explanations of the modified language. Modified text developed after the hearing is specifically identified. The regulation text in Attachment II does not show some portions of the proposed amendments that are not affected by the modifications to the originally proposed amendments. The complete text of the CaRFG regulations showing the proposed amendments and modifications are available at the ARB's Internet site for this rulemaking at <http://www.arb.ca.gov/regact/mtbepost/mtbepost.htm>. Printed copies are available from Mr. Valentine Montoya, Stationary Source Division, telephone (916) 327-1493 or fax (916) 322-6088.

Comments and subsequent action. In accordance with section 11346.8 of the Government Code, the Board's Resolution directed the Executive Officer to make the modified regulations available to the public for a supplemental written comment period of at least 15 days. The Board further provided that the Executive Officer shall consider such written comments regarding the modified text that may be submitted during this period, shall make modifications as may be appropriate in light of the comments received, and shall present the regulations to the Board for further consideration if warranted.

Written comments on the proposed modifications may be submitted by postal mail, electronic mail, or facsimile as follows:

Postal mail is to be sent to:

Clerk of the Board

Air Resources Board
1001 "I" Street, 23rd Floor
Sacramento, California 95814

Electronic mail is to be sent to: mtbepost@listserv.arb.ca.gov

Facsimile submissions are to be transmitted to: (916) 322-3928.

In order to be considered by the Executive Officer, comments must be directed to the ARB in one of the three forms described above and received by the ARB by the end of the last day for supplemental comment listed at the beginning of this notice. Only comments relating to the modifications to the text of the regulations and additional information made available by this notice will be considered by the Executive Officer.

Peter D. Venturini, Chief
Stationary Source Division

Attachments

The energy challenge facing California is real. Every Californian needs to take immediate action to reduce energy consumption. For a list of simple ways you can reduce energy demand and cut your energy costs, see our web-site at <http://www.arb.ca.gov>