



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

WASHINGTON, D.C. 20460

The Honorable Charlie Crist
Governor
State of Florida
400 S. Monroe Street
Tallahassee, Florida 32399-0001

SEP 5 2008

THE ADMINISTRATOR

Re: September 2008 Fuel Waiver Concerning Florida

Dear Governor Crist:

This is in response to the September 5, 2008, request for a waiver under the Clean Air Act (CAA) made on your behalf by Florida Department of Environmental Protection's Director of Air Resource Management, Joseph Kahn. The letter requests that the U.S. Environmental Protection Agency waive the federal gasoline low volatility requirements for Florida as the result of the disruption in the supply of fuel caused by Tropical Storms Fay and Hanna, Hurricane Gustav and the approach of Hurricane Ike. As you know, regulations promulgated under the Clean Air Act require gasoline sold in the counties of Broward, Dade, Duval, Hillsborough, Palm Beach and Pinellas (the "designated counties") to have maximum Reid Vapor Pressure (RVP) of 7.8 pounds per square inch (psi) during the "high ozone" season, through September 15, 2008. *See* 40 C.F.R. § 80.27. EPA has determined, and the Department of Energy (DOE) concurs, that it is necessary to take action to minimize or prevent disruption of Florida's fuel supply. By this letter, I am granting a waiver to Florida, as provided below.

EPA, in consultation with the United States Department of Energy, has evaluated the fuel supply problems in the designated counties in Florida resulting from recent tropical storm activity in the Atlantic and the Gulf of Mexico. As the result of Tropical Storm Fay, the supply of gasoline in the designated counties was disrupted, and on August 22, 2008 I temporarily waived the 7.8 psi RVP requirements for Duval County due to the extended closure of the Jacksonville port to incoming sea vessels. Hurricane Gustav and Tropical Storm Hanna have further disrupted shipments of gasoline to Florida since that time, and the supply of gasoline meeting the 7.8 psi RVP requirement to each of the designated counties has not fully recovered. Spot outages of gasoline at retail outlets and by some suppliers of 7.8 psi RVP to the designated counties are currently being experienced. On September 5, 2008, a state of emergency was declared for Florida due to the approach of Hurricane Ike. Preparations are now underway for the potential evacuation of more than 1 million residents and tourists from south Florida, and a mandatory evacuation order has been issued by Monroe County for the Florida Keys. EPA's and DOE's evaluation is there is not a sufficient supply of 7.8 psi RVP gasoline available to ensure a safe and orderly evacuation in Florida. Based on this evaluation, and due to the already short supplies of 7.8 psi RVP in Florida in combination with Florida's unique evacuation and fuel

supply circumstances, EPA with DOE's concurrence has decided that it is necessary to take the following action to minimize or prevent disruption of gasoline supplies to this area.

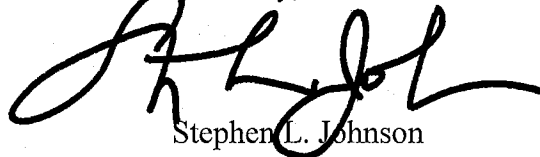
I have determined that "extreme and unusual fuel . . . supply circumstances" exist that will prevent the distribution of an adequate supply of gasoline to consumers in the designated counties in Florida. CAA § 211(c)(4)(C)(ii)(I), 42 U.S.C. § 7545(c)(4)(C)(ii)(I). This extreme and unusual fuel supply circumstance is the result of Tropical Storms Fay and Hanna, and Hurricanes Gustav and Ike, natural disasters 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 this area. 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 problems with the supply of gasoline, I am today issuing this waiver of the 7.8 psi RVP requirement for the designated counties. This waiver is effective immediately and will continue through the end of the "high ozone" period, which ends on September 15, 2008. This temporary waiver will allow regulated parties to distribute and sell conventional gasoline with an RVP of 9.0 psi in the designated counties instead of the required 7.8 psi RVP. In addition, I am also waiving the requirement of 40 C.F.R. § 80.27(d) that a gasoline must have between 9% and 10% ethanol by volume in order to qualify for the "special provisions for alcohol blends" that increase the RVP standard by 1 psi. Under this waiver, gasoline with less than 9% ethanol by volume will qualify for the "special provisions for alcohol blends" requirement.

EPA and DOE will continue to monitor the fuel supply situation in Florida. We at EPA recognize the benefits of the federal 7.8 psi RVP requirement in the designated counties in Florida. Therefore, regulated parties should supply gasoline that meets the lower 7.8 psi RVP requirement prior to distributing or using gasoline meeting the 9.0 psi RVP requirement under this waiver.

If you have any questions you may call me, or your staff may call Adam M. Kushner at (202) 564-2260.

Sincerely,



Stephen L. Johnson

cc: The Honorable Samuel W. Bodman
Secretary of Energy