

Bryan W. Shaw, Ph.D., P.E., *Chairman*
Toby Baker, *Commissioner*
Jon Niermann, *Commissioner*
Richard A. Hyde, P.E., *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

August 29, 2017

Mr. Scott Pruitt
Administrator
U.S. Environmental Protection Agency
Mail Code 1101A
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

AND

Mr. Lawrence Starfield
Acting Assistant Administrator
Office of Enforcement & Compliance Assurance (OECA)
Mail Code 2201A, Room AR 3204
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

Re: Request for Temporary Fuel Waivers to Allow Use of 11.5 Pounds per Square Inch (psi) Reid Vapor Pressure (RVP) Gasoline in the State of Texas

Dear Mr. Pruitt and Starfield:

Thank you for your quick response and approval of our requests for fuel waivers, dated August 25, 2017, and August 26, 2017, due to impacts of now Tropical Storm Harvey in certain Texas counties. As a result of the continuing impact of Harvey and refinery shutdowns in the entire southeast Texas region, we find it necessary to request an expansion of our original request to allow for use of 11.5 psi RVP fuel in order to address production and supply constraints. As such, the Texas Commission on Environmental Quality (TCEQ), on behalf of Governor Greg Abbott, requests the U.S. Environmental Protection Agency (EPA) exercise its authority under the Clean Air Act to temporarily waive federal fuel requirements for Federal Reformulated Gasoline (RFG) fuels and low RVP fuel requirements and allow distribution and use of 11.5 RVP gasoline statewide.

Southeast Texas is continuing to receive heavy rainfall from Tropical Storm Harvey. Multiple refinery shutdowns have occurred in the Corpus Christi, Houston and Beaumont/Port Arthur areas that have exacerbated gasoline supply issues across the state. In addition, we are aware of production issues at several currently operating refineries that will restrict available gasoline volumes in Texas. Allowing 11.5 psi RVP gasoline to be produced and used in Texas should increase fuel supplies available both in and out of state.

More specifically, several of our currently operating refineries are facing restricted gasoline production due to not being able to effectively handle increasing volumes of butane. The butane is stored on-site and then normally shipped to off-site storage facilities, including petroleum product salt dome caverns. Due to the historic flooding in southeast Texas, many of these facilities have been closed and/or are not accessible due to transportation infrastructure

Mr. Scott Pruitt and Mr. Lawrence Starfield

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issues. Without access to off-site butane storage, on-site butane storage is becoming extremely limited resulting in full gasoline production limitations. Allowing production and use of 11.5 psi RVP gasoline will allow blending of increased volumes of butane into gasoline stocks addressing both on-site butane storage issues and the need for increased volumes of gasoline available for both in and out-of-state distribution. Based on the above information, the State of Texas requests that EPA issue a revised fuel waiver to allow the use of 11.5 psi RVP gasoline in all counties of Texas to alleviate fuel supply concerns and to maximize gasoline production at least until September 15, 2017.

Thank you for your consideration of this request, and we sincerely appreciate the efforts of your staff and that of the Department of Energy in addressing this on-going emergency situation. If you have any questions, please feel free to contact Mr. Minor Hibbs, P.E., or Keith Sheedy, P.E. of my staff at (512) 239-6590 or (512) 239-1556, respectively.

Sincerely,

A handwritten signature in black ink, appearing to read "R. A. Hyde". The signature is fluid and cursive, with the first letters of each name being capitalized and prominent.

Richard A. Hyde, P.E., Executive Director
Texas Commission on Environmental Quality

cc: Mr. Sam Coleman, Acting Regional Administrator, U.S. Environmental Protection Agency, Region 6
Mr. Guy Donaldson, U.S. Environmental Protection Agency, Region 6
Mr. John Walser, U. S. Environmental Protection Agency, Region 6