

EPA Fuels Regulatory Streamlining

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Background

- ▶ Title II of the Clean Air Act provides EPA with the authority and responsibility to protect human health and welfare from the negative impacts of mobile source emissions
 - ▶ The Administration's focus on regulatory reform does not change these statutory responsibilities
- ▶ Regulatory reform is not new to the Office of Transportation and Air Quality (OTAQ) - we have routinely reviewed our existing regulations and looked for opportunities to improve the clarity and efficiency of the regulations, reduce burden, and improve implementation
- ▶ Recent examples of these "technical amendment rules" are:
 - ▶ The 2016 Heavy-duty GHG Phase 2 Final Rule - we included dozens of tech amendments to our existing vehicle and engine regulatory provisions
 - ▶ The 2014 Tier 3 Vehicle and Fuel Standards Final Rule - we proposed a number of improvements and updates to the existing fuel regulations, but were only able to finalize a small part of these technical amendments due to time and resource constraints (see 79 FR 23570, April 28, 2014; preamble Section VI)

Fuels Regulatory Streamlining

- ▶ Continuing the work we began in the Tier 3 Rule, we are beginning a rulemaking to make further progress on streamlining and modernizing EPA's existing gasoline, diesel, and other fuels regulations of 40 CFR Part 80
- ▶ This will consist of a holistic look at the entire set of fuels regulations in Part 80, to replacing them with a single set of provisions to better reflect today's fuel marketplace, by:
 - ▶ Deleting expired provisions
 - ▶ Consolidating/eliminating redundant compliance provisions
 - ▶ Removing unnecessary and out-of-date requirements
- ▶ This effort will reduce burden and costs for EPA and stakeholders alike, and improve compliance assurance, while maintaining environmental performance and fuel quality

Main Elements of Fuels Reg Streamlining

- ▶ Deletion of expired provisions that either have been replaced by a more recent program or those that are no longer necessary because a program is fully implemented
- ▶ Consolidation of redundant provisions such as compliance and enforcement provisions (e.g., registration) that exist in every Part 80 fuels program, our goal is to consolidate these provisions to create one set of requirements across the entire fuels program
- ▶ Streamlining EPA's gasoline programs, Part 80 has a patchwork of gasoline regulations that could benefit from consolidation and simplification, with three main components:
 - ▶ Simplification of the reformulated gasoline (RFG) standards to maximize fungibility and allow us to consolidate all non-RFS gasoline regulations into a single gasoline program
 - ▶ Consolidation of compliance provisions across gasoline programs into a single approach for each major compliance area (e.g., reporting, registration, etc.)
 - ▶ Creation of a national survey program to measure all regulated in-use parameters at retail and updates to make in-use fuel quality oversight more cost-effective

Items that Will Remain Unchanged

- ▶ While the fuels reg streamlining initiative would address most aspects of EPA's fuels regulations, some aspects will remain unchanged, such as:
 - ▶ The RFS2 program
 - ▶ Applicable standards for:
 - ▶ Gasoline sulfur
 - ▶ Diesel sulfur
 - ▶ Benzene
 - ▶ RVP (seasonal and geographic)
 - ▶ Legacy standards required by the Clean Air Act (e.g., lead levels in gasoline)
- ▶ Again, this is NOT an effort to weaken or rollback standards, it is simply an effort to improve the clarity and efficiency of the regulations, reduce burden, and improve implementation and compliance

Stakeholder Outreach and Next Steps

- ▶ Our next steps in this effort include:
 - ▶ Stakeholder workshop in May 2018
 - ▶ Ongoing discussions with stakeholders
 - ▶ Discussion Draft Regulations: <https://www.epa.gov/diesel-fuel-standards/fuels-regulatory-streamlining-workshop>
 - ▶ Looking to have further discussions with State Weights and Measures Contacts
 - ▶ Continuing to look at the fuels regulations to identify appropriate streamlining opportunities
 - ▶ Development of a proposed rulemaking
- ▶ Timing
 - ▶ Current plan is to issue a proposed rule by the end of 2018
 - ▶ Aiming to finalize the rule by the end of 2019, with the goal of a January 1, 2020 rulemaking effective date

Disclaimer

- ▶ This presentation is being provided in furtherance of ongoing discussions in recent months and years with stakeholders on possibilities for streamlining of our existing fuel regulations.
- ▶ EPA is seeking the advice of individual companies, organizations, associations, and other stakeholders.
- ▶ The topics in this presentation do not represent decisions, policies, or future action by EPA and do not bind EPA to any particular decision, policy, or future action.