

and Supplement to Cleaner Burning Gasoline Program State Implementation Plan Revision, September 2001 ("Technical Supplement").² EPA is proposing to approve the current CBG rule, as codified in Arizona Administrative Code, Title 20, Chapter 2, Article 7, on March 31, 2001 and sections 49–541 (as codified on August 9, 2001), 41–2124 (D) and (K) (as codified on April 28, 2000), 41–2123 (as codified on August 6, 1999), 41–2113(B)(4) (as codified on August 21, 1998), 41–2115 (as codified on July 18, 2000), and 41–2066(A)(2) (as codified on April 20, 2001) of the Arizona Revised Statutes. The key changes from the interim CBG program approved into the SIP in 1998 are described in the following section.

This preamble describes our proposed actions on the Arizona CBG gasoline program and provides a summary of our evaluation of the program. Our detailed evaluation of the program can be found in the TSD that accompanies this proposal.

II. Background to Today's Proposal

A. Air Quality in the Maricopa County Area

The Arizona CBG program, as currently approved in the SIP, applies in Maricopa County. As revised, the program will apply in Maricopa County and portions of Yavapai and Pinal counties that are part of "Area A" as defined in Arizona Revised Statutes (ARS) § 49–541, which generally represents the nonattainment area in and around Maricopa County.³ The Maricopa County nonattainment area is located in the eastern portion of Maricopa County and encompasses the cities of Phoenix, Mesa, Scottsdale, Tempe, Chandler, Glendale, and 17 other jurisdictions and considerable unincorporated County lands. The area is home to approximately 3 million people.

The area violated both the annual and 24-hour PM–10 standards as well as the one-hour ozone and 8-hour CO standard. In 1990, the area was classified a moderate nonattainment area for ozone, CO, and PM–10. In 1996, because of continuing violations of both PM–10 standards, the area was reclassified to serious for PM–10 and required to submit a serious area plan by December 10, 1997 showing

attainment no later than December 31, 2001. The moderate area ozone attainment deadline was November 15, 1996. On November 6, 1997, the area was reclassified to serious for ozone effective December 8, 1997 with an attainment deadline of no later than November 15, 1999. Due to continuing exceedances of the CO standard, the Maricopa County area was redesignated as serious for CO effective August 28, 1996. The nonattainment areas for ozone and CO are the same, and are slightly smaller than the PM–10 nonattainment area.

B. What Is "Cleaner Burning Gasoline"?

The State CBG fuel program establishes limits on the properties and emission standards for gasoline sold in portions of the State in and around Maricopa County. These standards help reduce emissions of volatile organic compounds (VOCs), oxides of nitrogen (NO_x), carbon monoxide (CO) and particulate matter (PM).

ADEQ first adopted interim CBG regulations on September 12, 1997. The regulations were adopted as interim measures, in accordance with State legislation (HB 2307), as a quick means to replace federal reformulated gasoline (RFG), which had been in effect in the Maricopa County ozone nonattainment area during the summer of 1997.

The interim CBG regulations specified three types of gasoline which roughly corresponded to Phase I federal RFG ("CBG Type 3"), Phase 2 California Air Resources Board (CARB) RFG ("CBG Type 2") and Phase II federal RFG ("CBG Type 1"). For 1998, gasoline suppliers to the covered area had the option of meeting the requirements for either CBG Type 2 or Type 3. For 1999 and beyond, suppliers were required to provide CBG Type 1 or Type 2. The interim regulations include year-round limits on sulfur, aromatics, olefins, and distillation properties, and seasonal limits on Reid vapor pressure (RVP), oxygen content, and VOC and NO_x performance. The area covered by the interim rule is all of Maricopa County.

ADEQ submitted the interim CBG rule for approval as a revision to the ozone plan for the Maricopa County ozone nonattainment area on September 12, 1997, and as a revision to the State PM–10 plan on January 21, 1998. EPA approved the interim CBG rule SIP revisions on February 10, 1998 (63 FR 6653). In accordance with section 211(c)(4)(C) of the Act, EPA found that the fuel controls were necessary for the Phoenix area to attain the PM–10 and ozone national ambient air quality standards (NAAQS). *Id.* at 6656.

C. Description of Arizona's Changes to the CBG Program

Since 1997, ADEQ has adopted several amendments to its CBG rule in order to make it a permanent rule and to reflect changes made by the State legislature to the fuel provisions of the ARS. Most of these changes involve the removal of SIP-approved requirements and options. The "CBG Permanent Rules" include the following key changes from the interim rules currently approved in the SIP:

- The standards for CBG Type 3, which was only available as an option in 1998, have been removed along with references to this fuel option.⁴
- Summertime minimum oxygen content standards for Type 1 gasoline have been removed by specifying a 0.0% minimum oxygen content for April 1 through November 1 in Table 1 of the rule.⁵
- The option of supplying CBG Type 1 during the winter fuel season (November 2 through March 31) was removed by including wintertime fuel specifications that limit suppliers to CBG Type 2 beginning in 2000. With this change, requirements for wintertime NO_x surveys were removed because CBG Type 2 (CARB Phase 2 RFG) does not include a NO_x performance standard.
- The option to provide non-ethanol oxygenated fuel during the winter has been removed by amending the wintertime oxygen content provisions to require fuel containing 10% ethanol, unless the use of a non-ethanol oxygenate is approved by the Director of ADEQ.⁶
- NO_x performance standards for CBG Type 1 and summer survey requirements were amended to conform with changes made by EPA to the

⁴ This change was included in ADEQ's February 1999 "CBG Permanent Rules" submittal and reflects changes to the Arizona Revised Statutes by HB 2307.

⁵ Additionally, the third footnote to Table 2 of the interim rule was removed. This footnote had provided that CBG Type 2 produced in accordance with the non-averaging option must comply with a per gallon minimum oxygen content requirement of 1.8% by weight from April 1 through October 31. For additional information, see ADEQ's March 2001 "Summertime Minimum Oxygen Content Removal" submittal. These changes reflect amendments to the Arizona Revised Statutes by SB 1504.

⁶ This change was also included in ADEQ's August 2001 "CBG Wintertime Rules" submittal implementing changes to the Arizona Revised Statutes by HB 2347. Should ADEQ waive the 10 percent ethanol requirement, the regulations require a minimum oxygen content of 2.7 percent by weight for non-ethanol blends. Arizona Administrative Code (AAC) R20–2–751(A)(7)(a)(i). Thus winter fuel will continue to contain oxygen in the range of 2.7 to 3.5 percent by weight. See letter from Nancy Wrona, ADEQ and J. Art Macias, ADWM, to Jack Broadbent, EPA, August 12, 2003.

² In accordance with section 110(k)(1)(B), these SIP submittals were deemed complete by operation of law six months after submittal.

³ As further explained herein, the nonattainment areas vary slightly according to the specific nonattainment pollutant. This notice generally refers to all of these areas collectively as the Maricopa County area or nonattainment area.