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**RFG/Anti-Dumping
Questions and Answers
May 23, 1995**

Fuels and Energy Division
Office of Mobile Sources
U.S. Environmental Protection Agency

RFG/ANTI-DUMPING QUESTIONS AND ANSWERS, MAY 23, 1995

The following are responses to most of the questions received by the Environmental Protection Agency (EPA) through May 9, 1995, concerning the manner in which the EPA intends to implement and assure compliance with the reformulated gasoline and anti-dumping regulations at 40 CFR Part 80. This document was prepared by EPA's Office of Air and Radiation, Office of Mobile Sources, and Office of Enforcement and Compliance Assurance, Office of Regulatory Enforcement, Air Enforcement Division.

Regulated parties may use this document to aid in achieving compliance with the reformulated gasoline (RFG) and anti-dumping regulations. However, this document does not in any way alter the requirements of these regulations. While the answers provided in this document represent the Agency's interpretation and general plans for implementation of the regulations at this time, some of the responses may change as additional information becomes available or as the Agency further considers certain issues.

This guidance document does not establish or change legal rights or obligations. It does not establish binding rules or requirements and is not fully determinative of the issues addressed. Agency decisions in any particular case will be made applying the law and regulations on the basis of specific facts and actual action.

While we have attempted to include answers to all questions received by May 9, 1995, the necessity for policy decisions and/or resource constraints may have prevented the inclusion of certain questions. Questions not answered in this document will be answered in a subsequent document. Questions that merely require a justification of the regulations, or that have previously been answered or discussed either in a previous Question and Answer document or the Preamble to the regulations have been omitted.

Topics Covered

RFG General Requirements
In-Line Blending
Product Transfer Documentation

RFG GENERAL REQUIREMENTS

1. **Question:** Can total oxygen content, which may include small amounts of oxygenates such as DIPE that are not required to be reported, be used in demonstrating compliance with the oxygen standard? If so, in filling out the batch reports, the percent weight oxygen shown in Item 8.1 will not necessarily add up to the oxygen content that can be calculated from the sum of individual oxygenates shown in Items 8.7 thru 8.12.

Answer: Total oxygen content may be used for demonstrating compliance with the oxygen standard. If total oxygen content is used, the total oxygen weight percent in Item 8.1 of the batch report may not necessarily be identical to the oxygen weight percent that can be calculated from the sum of the individual oxygenates reported in Items 8.7 thru 8.12.

IN-LINE BLENDING

1. **Question:** For a refinery with an in-line gasoline blending exemption, can the annual in-line blending audit be conducted by the same attestation auditor as outlined under Subpart F of the RFG and Anti-dumping regulations? Must the auditor for an in-line blending operation meet the requirements for Attest Engagements at § 80.125?

Answer: An in-line blending exemption exempts a refiner from the independent sampling and testing requirements of § 80.65(f). As one of the conditions of the exemption, the refiner must carry out an independent audit program of its in-line blending operation.

Attestation engagements are different than, and do not take the place of, the in-line blending audits. Attestation engagements cover a broad range of records required under the reformulated gasoline and anti-dumping programs, as specified in Subpart F. They deal with production volumes, fuel properties reported for those volumes, and shipment documentation. The independent audits required for in-line blending operations, on the other hand, are narrowly focused on individual in-line blending systems that are unique for each location. Basically, the in-line blending audit must verify that for each batch, the reported batch properties are supported by secondary sources of test data; that in-line blending control and recordkeeping systems are being carried out as represented to the Agency in the petition for the exemption; and that the testing, cross checks and quality control being exercised over the operation allow the refiners to accurately predict the property values and volumes being reported for each batch.

Auditors who conduct in-line blending audits must meet the criteria specified in § 80.125(a) and/or (d), which require the auditor to be an independent certified public accountant, or, alternatively, an employee of the refiner, provided that such employee is an internal auditor certified by the Institute of Internal Auditors, Inc. ("CIA") and completes the internal audits in accordance with the Codification of Standards for the Professional Practice of Internal Auditing. However, because of the complexity of on-line measurements and estimates, many auditors who qualify for the attestation engagements may not have the technical qualifications to conduct in-

line blending audits. The audit program for an in-line blending operation will require the refiner to use an auditor who both fulfills the requirements under § 80.125(a) and/or (b), and has expertise with in-line blending operations.

PRODUCT TRANSFER DOCUMENTATION

1. **Question:** In RFG areas, at unattended cardlock fueling facilities, where should the three most recent PTDs be maintained? It seems to make little sense that they be stored on-site, since the driver normally does not leave any paperwork at the unattended cardlock facility, and an EPA inspector would not have access to them due to the site being unattended. Since the driver normally forwards the PTDs for a transaction at an unattended cardlock fueling facility to the marketer's nearest office, would this be the appropriate location to maintain the PTDs for these transactions?

Answer: In the situation described, it would be acceptable for the PTDs to be maintained at the marketer's nearest office.

2. **Question:** Who is the transferee in a custody transfer where the owner of the receiving tank/truck/barge is different than the operator (scheduler) of the tank/truck/barge, who may also be different from the company that provides the employees of the site? Can a company assume that when multiple parties can be the transferee, that one can take on the role of being the designated responsible party.

Answer: Regarding transfers of custody, PTDs are intended to be given to the person physically taking custody of the product. Where multiple parties are involved in a physical transfer of the product, and the transferor does not know the name of the person physically taking custody of the product, the name of that person may be omitted from the PTD so long as this information has been recorded on some other document that memorializes the transfer of custody of the product, and this information is available to EPA on request.

[NOTE: The following is a revision of Question 5 of the Product Transfer Documentation section of the October 17, 1994 Question and Answer Document.]

5. **Question:** When a party lifts gasoline at a terminal, there is usually both a transfer of custody (to the carrier) and a transfer of title (to the person taking title). If all required PTD information is given to the carrier through a bill of lading, is it also necessary to provide a separate PTD to the person taking title? If so, does a single PTD suffice when the person taking title utilizes his own truck as opposed to common carrier trucks?

Answer: The transferor must provide PTD information to both the transferee of custody and the transferee of title. As a result, the required PTD information must be provided to both

the carrier (the transferee of custody) and the person taking title (the transferee of title). If the the same party is receiving both custody and title of the fuel (when utilizing his own trucks as opposed to common carrier trucks), the PTD information would only have to be provided to the party a single time.