

Giant Refining's Highway Diesel Hardship Approval

On March 10, 2003, the U.S. Environmental Protection Agency (EPA) approved Giant Refining, Inc.'s request for hardship relief for its Yorktown, Virginia, refinery under the Highway Diesel Fuel Sulfur program established under the Clean Air Act. This relief gives the company more time to produce cleaner, low sulfur gasoline, while requiring it to produce 100 percent of its highway diesel fuel at a 15 ppm sulfur level by June 1, 2006. The hardship relief is similar to the flexibility offered to small refiners.

The Highway Diesel Sulfur final rule includes provisions allowing refiners to seek temporary relief from the standards, based on showing circumstances imposing extreme hardship that significantly affect the refiner's ability to comply with the requirements by the specific date. A refiner applying for hardship relief also must demonstrate that it has made best efforts to comply with the requirements of the new regulation. Based on the analysis of Giant's application and other information, EPA concluded that Giant has met each of the required criteria for hardship relief under the provision of the Highway Diesel Fuel Sulfur program. The Agency has provided a compliance plan with conditions for Giant to help ensure proper implementation of the relief. EPA previously granted hardship approvals under the Tier 2/Gasoline Sulfur program to four refiners: National Cooperative Refinery Association, Wyoming Refining Co., United Refining Co., and Farmland Industries, Inc.

Under the Highway Diesel Sulfur program final rule, applications for hardship were due on June 1, 2002. Besides the application from Giant, EPA received one other application (Farmland Industries, Inc.). On September 12, 2002, EPA published a *Federal Register* notice requesting public comment on these applications (67 FR 57811) <u>32K PDF</u>. In response to this notice, EPA received eight letters of support for Giant's application from state and Federal Congressional representatives and one letter expressing opposition from another refining company. EPA has not yet made a determination on the application from Farmland Industries.