

# EPA Proposal for Fuels Regulatory Streamlining

**T**he Environmental Protection Agency (EPA) is proposing to update EPA's existing gasoline, diesel, and other fuels programs in 40 CFR part 80 to improve overall compliance assurance and maintain environmental performance, while reducing compliance costs for industry and EPA.

EPA is proposing to streamline its existing fuel quality regulations by removing expired provisions, eliminating redundant compliance provisions (e.g., duplicative registration requirements that are required by every EPA fuels program), removing unnecessary and out-of-date requirements, and replacing them with a single set of provisions and definitions in the new 40 CFR part 1090 that will apply across all gasoline, diesel, and other fuel quality programs currently regulated under 40 CFR part 80 (except for the Renewable Fuel Standard (RFS) program). This action does not propose to change the stringency of the existing fuel quality standards.

## Outline of Proposed Fuel Program Changes

This action focuses primarily on streamlining and consolidating our existing gasoline and diesel fuel programs. To accomplish this, we are proposing to remove expired provisions and consolidate the remaining provisions from multiple fuel quality programs into a single set of requirements. This action covers all fuel quality programs and related provisions currently in 40 CFR part 80 except for the RFS program. This proposed streamlining effort aims to combine these separate, now fully-implemented programs, all of which affect the same regulated parties, into a single, national fuel quality program.

While this action proposes changes to many aspects of EPA's fuel quality programs, there are several areas of the existing part 80 regulations that would remain unchanged.

This action does not change the stringency of the existing fuel quality standards nor does it propose any new standards on fuels. This action also does not modify any substantive provisions of the RFS program. Finally, this action does not propose to remove any statutory requirement for fuels specified by the Clean Air Act.

The new part 1090 is designed to reduce compliance burdens for both industry and EPA, maintain fuel quality, and potentially lower fuel costs for consumers. To accomplish these goals, we have identified three key elements that are included in part 1090:

- A simplification of the reformulated gasoline (RFG) summer volatile organic compound (VOC) standards.
- A consolidation of the regulatory requirements across the part 80 fuel quality programs.
- Improving oversight through the leveraging of third parties to ensure in-use fuel quality.

The nature of this proposal is generally administrative or technical and includes amendments for parties that produce and distribute fuels, fuel additives, and regulated blendstocks. These amendments include the elimination of hundreds of pages of obsolete or redundant regulations.

## **Potential Health and Environmental Impacts**

We are not proposing any changes to the existing fuel quality standards. As such, we do not expect to have any adverse impacts.

## **Potential Costs Savings**

We do not expect regulated parties would need to make significant changes to how fuels are made, distributed, or sold, which are the factors EPA typically considers when determining the costs associated with imposing or changing fuel quality standards. However, we believe this proposal could result in savings to both regulated parties and EPA by simplifying how compliance with our fuel quality standards is achieved and by allowing greater flexibility in the manufacture and distribution of fuels. These savings would largely arise from the reduction of the administrative costs on both regulated parties and EPA in complying with and implementing the existing fuel quality standards. We estimate the administrative cost savings to industry to be \$32.9 million per year. Other savings associated with improving the fungibility of fuel and providing greater flexibility for fuel production and distribution could potentially be even more significant but are difficult to quantify.

## Public Participation Opportunities

Comments will be accepted for 60 days beginning when this Proposed Rule is published in the Federal Register. For information on how to submit written comments, please see the Federal Register Notice. All comments should be identified by Docket ID No. EPA-HQ-OAR-2018-0227 and submitted by one of the following methods:

Internet: [www.regulations.gov](http://www.regulations.gov)

E-mail: [A-and-R-Docket@epa.gov](mailto:A-and-R-Docket@epa.gov)

## For More Information

You can access the Notice of Proposed Rulemaking and other documents related to our Fuels Regulatory Streamlining Rule electronically on the EPA's website at:

[www.epa.gov/diesel-fuel-standards/fuels-regulatory-streamlining](http://www.epa.gov/diesel-fuel-standards/fuels-regulatory-streamlining)

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