

APPENDIX B

Relevant Correspondence



March 4, 1998

Peter D. Venturini, Chief
Stationary Source Division
Dean Simeroth, Chief
Criteria Pollutants Branch
California Environmental Protection Agency
Air Resources Board
2020 L Street
Sacramento, CA 95814

Rc: **CBG Flexibility Workshop**

Dear Messrs. Venturini and Simeroth:

This letter responds to ARB's February 4 letter and its plan to hold a public workshop in late March regarding how ARB might provide additional flexibility in California's Clean Burning Gasoline (CBG) program while maintaining the air quality benefits of the existing regulation. WSPA appreciates ARB's desire to consider providing additional flexibility. A key goal is to provide more flexibility in the use of gasoline oxygenates. WSPA also supports ARB's position that such flexibility must be accomplished while maintaining the air quality benefits associated with the existing CBG program. Providing such flexibility to California refiners may also help ease certain production constraints.

The CBG flexibility issues WSPA would like to address at the March workshop will likely include:

- The benefits of creating and implementing an evaporative model (RVP flexibility),
- Updating the predictive model to more accurately correlate gasoline properties and emissions, and
- Evaluating increases to the gasoline specifications including the caps for aromatics, T50, T90, oxygen content and olefin, without changing the existing required averages or flat limits.

As this rulemaking proceeds, we want to continue highlighting to ARB that providing flexibility in determining compliant fuel formulations, by necessity, must

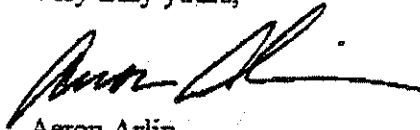
1115 11th Street, Suite 150 • Sacramento, California 95814 • (916) 444-9981 • FAX: (916) 444-8997

Peter D. Venturini, Chief
Dean Simeroth, Chief
March 4, 1998
Page 2

allow all existing compliant fuel formulations to remain valid after this rulemaking is complete. This item is critical and is simply meant to ensure that everyone recognizes that the petroleum industry has spent significant capital investments to comply with the existing CBG requirements and rendering current fuel formulations non-compliant would seriously jeopardize those investments.

WSPA and its members look forward to working with ARB on this important and timely project.

Very truly yours,



Aeron Arlin
Environmental Issues Coordinator



Peter M. Rooney
Secretary for
Environmental
Protection


Air Resources Board


John D. Dunlap, III, Chairman
P.O. Box 2815 · Sacramento, California 95812 · www.arb.ca.gov



Pete Wilson
Governor

MEMORANDUM

TO:  Walt Rettit
Executive Director
State Water Resources Control Board

FROM:  Michael P. Kenny
Executive Officer

DATE: April 14, 1998

SUBJECT: PUBLIC CONSULTATION MEETINGS FOR PROPOSED ADDITIONAL
FLEXIBILITY IN CALIFORNIA'S CLEANER-BURNING GASOLINE
REGULATIONS

I am writing to invite your agency's participation in an effort to evaluate how the Air Resources Board (ARB) might provide additional flexibility in California's cleaner-burning gasoline regulations. I also want to convey to you that, while ARB staff is supportive of providing additional flexibility, we are committed to doing so only if it can be accomplished without reducing the emission and air quality benefits of the existing regulations.

It is envisioned that additional flexibility could be used by refiners to more easily produce cleaner-burning gasoline. This could include producing cleaner-burning gasoline at reduced cost and could allow greater flexibility to replace oxygenates with other gasoline components that provide equal or better emission reductions.

Under current law, gasoline in much of the State must meet a combination of ARB and federal specifications. For refiners to make full use of this flexibility to reduce or eliminate oxygenate usage, Congressional legislation, such as H.R. 630 (Bilbray), would need to be enacted to remove the current oxygenate mandate. The ARB supports changes to federal law to allow the State's rules to fully substitute for the federal requirements.

To date, we have initiated discussions with a number of California's gasoline producers and the Western States Petroleum Association to explore areas where additional flexibility could be provided. We also held a public workshop on March 23, 1998.

ARB has scheduled a series of public consultation meetings for the purpose stated above. The dates and times of future meetings are indicated in the enclosed letter dated March 25, 1998. We invite and welcome your staff's attendance at these meetings. We want to ensure that your agency has an opportunity for input on the issues that may interest you.

California Environmental Protection Agency

Printed on Recycled Paper

Walt Pettit
April 14, 1998
Page 2

Thank you in advance for your contribution to this project. Feel free to direct any questions to me at (916) 445-4383 or Mr. Michael H. Scheible, Deputy Executive Officer, at (916) 322-2890 or to Mr. Peter D. Venturini, Chief, Stationary Source Division, at (916) 445-0650.

Enclosure

cc: Mr. Michael H. Scheible
Deputy Executive Officer

Mr. Peter D. Venturini, Chief
Stationary Source Division



Cal/EPA

California
Environmental
Protection
Agency

March 25, 1998



Pete Wilson
Governor

Peter M. Rooney
Secretary for
Environmental
Protection

Dear Sir/Madam:

This letter is to inform you of the dates and times for our public consultation meetings for consideration of possible changes to the Air Resources Board's (ARB) "California Reformulated Gasoline Regulations" (also known as the "cleaner-burning gasoline" regulations). **This letter corrects meeting times stated in the letter distributed at the workshop on March 23, 1998.**

In our letter of February 4, 1998, we indicated that we are evaluating potential means to add flexibility in producing gasoline for California. It is envisioned that refiners could use the regulatory flexibility to more easily produce cleaner-burning gasoline. This could allow reduced production costs and more ability to replace oxygenates with other gasoline components while providing equal or greater emission reductions.

We held a public workshop on this topic on March 23, 1998. Future public consultation meetings will be held as follows:

<u>Date & Time</u>	<u>Place</u>
April 7, 1998, 9:30 am to 12:30 pm	Air Resources Board 2020 "L" Street
April 21, 1998, 9:30 am to 12:30 pm	Sacramento, California 95814 4th Floor Conference Room
May 5, 1998, 9:30 am to 12:30 pm	
May 19, 1998, 9:30 am to 12:30 pm	

At these meetings, the ARB staff will discuss the development and evaluation of potential new versions of the predictive model and the effects of higher cap limits for some properties.

Agendas for each consultation meeting will be posted on the ARB web page (<http://www.arb.ca.gov>), under "cleaner-burning gasoline program", a few days before the meeting.



Air Resources Board

P.O. Box 2815
2020 L Street
Sacramento, CA
95812-2815

www.arb.ca.gov



Peter M. Rooney
Secretary for
Environmental
Protection


Air Resources Board


John D. Dunlap, III, Chairman
P.O. Box 2815 · Sacramento, California 95812 · www.arb.ca.gov



Pete Wilson
Governor

MEMORANDUM

TO:  Joan D. Denton, Ph.D.
Director
Office of Environmental Health Hazard Assessment

FROM:  Michael P. Kenny
Executive Officer

DATE: April 14, 1998

SUBJECT: PUBLIC CONSULTATION MEETINGS FOR PROPOSED ADDITIONAL
FLEXIBILITY IN CALIFORNIA'S CLEANER-BURNING GASOLINE
REGULATIONS

I am writing to invite your agency's participation in an effort to evaluate how the Air Resources Board (ARB) might provide additional flexibility in California's cleaner-burning gasoline regulations. I also want to convey to you that, while ARB staff is supportive of providing additional flexibility, we are committed to doing so only if it can be accomplished without reducing the emission and air quality benefits of the existing regulations.

It is envisioned that additional flexibility could be used by refiners to more easily produce cleaner-burning gasoline. This could include producing cleaner-burning gasoline at reduced cost and could allow greater flexibility to replace oxygenates with other gasoline components that provide equal or better emission reductions.

Under current law, gasoline in much of the State must meet a combination of ARB and federal specifications. For refiners to make full use of this flexibility to reduce or eliminate oxygenate usage, Congressional legislation, such as H.R. 630 (Bilbray), would need to be enacted to remove the current oxygenate mandate. The ARB supports changes to federal law to allow the State's rules to fully substitute for the federal requirements.

To date, we have initiated discussions with a number of California's gasoline producers and the Western States Petroleum Association to explore areas where additional flexibility could be provided. We also held a public workshop on March 23, 1998.

ARB has scheduled a series of public consultation meetings for the purpose stated above. The dates and times of future meetings are indicated in the enclosed letter dated March 25, 1998. We invite and welcome your staff's attendance at these meetings. We want to ensure that your agency has an opportunity for input on the issues that may interest you.

Joan D. Denton, Ph.D

April 14, 1998

Page 2

Thank you in advance for your contribution to this project. Feel free to direct any questions to me at (916) 445-4383 or Mr. Michael H. Scheible, Deputy Executive Officer, at (916) 322-2890 or to Mr. Peter D. Venturini, Chief, Stationary Source Division, at (916) 445-0650.

Enclosure

cc: Mr. Michael H. Scheible
Deputy Executive Officer

Mr. Peter D. Venturini, Chief
Stationary Source Division



Cal/EPA

California
Environmental
Protection
Agency



Air Resources Board

P.O. Box 2815
2020 L Street
Sacramento, CA
95812-2815

www.arb.ca.gov



Pete Wilson
Governor

Peter M. Rooney
Secretary for
Environmental
Protection

March 25, 1998

Dear Sir/Madam:

This letter is to inform you of the dates and times for our public consultation meetings for consideration of possible changes to the Air Resources Board's (ARB) "California Reformulated Gasoline Regulations" (also known as the "cleaner-burning gasoline" regulations). **This letter corrects meeting times stated in the letter distributed at the workshop on March 23, 1998.**

In our letter of February 4, 1998, we indicated that we are evaluating potential means to add flexibility in producing gasoline for California. It is envisioned that refiners could use the regulatory flexibility to more easily produce cleaner-burning gasoline. This could allow reduced production costs and more ability to replace oxygenates with other gasoline components while providing equal or greater emission reductions.

We held a public workshop on this topic on March 23, 1998. Future public consultation meetings will be held as follows:

<u>Date & Time</u>	<u>Place</u>
April 7, 1998, 9:30 am to 12:30 pm	Air Resources Board 2020 "L" Street
April 21, 1998, 9:30 am to 12:30 pm	Sacramento, California 95814 4th Floor Conference Room
May 5, 1998, 9:30 am to 12:30 pm	
May 19, 1998, 9:30 am to 12:30 pm	

At these meetings, the ARB staff will discuss the development and evaluation of potential new versions of the predictive model and the effects of higher cap limits for some properties.

Agendas for each consultation meeting will be posted on the ARB web page (<http://www.arb.ca.gov>), under "cleaner-burning gasoline program", a few days before the meeting.



Peter M. Rooney
Secretary for
Environmental
Protection

Air Resources Board

John D. Dunlap, III, Chairman
P.O. Box 2815 · Sacramento, California 95812 · www.arb.ca.gov



Pete Wilson
Governor

MEMORANDUM

TO: ~~Jeff~~ R. Huff
Director
Department of Toxic Substances Control

FROM: ~~Michael~~ P. Kenny
Executive Officer

DATE: April 14, 1998

SUBJECT: PUBLIC CONSULTATION MEETINGS FOR PROPOSED ADDITIONAL
FLEXIBILITY IN CALIFORNIA'S CLEANER-BURNING GASOLINE
REGULATIONS

I am writing to invite your agency's participation in an effort to evaluate how the Air Resources Board (ARB) might provide additional flexibility in California's cleaner-burning gasoline regulations. I also want to convey to you that, while ARB staff is supportive of providing additional flexibility, we are committed to doing so only if it can be accomplished without reducing the emission and air quality benefits of the existing regulations.

It is envisioned that additional flexibility could be used by refiners to more easily produce cleaner-burning gasoline. This could include producing cleaner-burning gasoline at reduced cost and could allow greater flexibility to replace oxygenates with other gasoline components that provide equal or better emission reductions.

Under current law, gasoline in much of the State must meet a combination of ARB and federal specifications. For refiners to make full use of this flexibility to reduce or eliminate oxygenate usage, Congressional legislation, such as H.R. 630 (Bilbray), would need to be enacted to remove the current oxygenate mandate. The ARB supports changes to federal law to allow the State's rules to fully substitute for the federal requirements.

To date, we have initiated discussions with a number of California's gasoline producers and the Western States Petroleum Association to explore areas where additional flexibility could be provided. We also held a public workshop on March 23, 1998.

ARB has scheduled a series of public consultation meetings for the purpose stated above. The dates and times of future meetings are indicated in the enclosed letter dated March 25, 1998. We invite and welcome your staff's attendance at these meetings. We want to ensure that your agency has an opportunity for input on the issues that may interest you.

California Environmental Protection Agency

Printed on Recycled Paper

Jesse R. Huff

April 14, 1998

Page 2

Thank you in advance for your contribution to this project. Feel free to direct any questions to me at (916) 445-4383 or Mr. Michael H. Scheible, Deputy Executive Officer, at (916) 322-2890 or to Mr. Peter D. Venturini, Chief, Stationary Source Division, at (916) 445-0650.

Enclosure

cc: Mr. Michael H. Scheible
Deputy Executive Officer

Mr. Peter D. Venturini, Chief
Stationary Source Division



Cal/EPA

California
Environmental
Protection
Agency

March 25, 1998



Pete Wilson
Governor

Peter M. Rooney
Secretary for
Environmental
Protection



Air Resources Board

P.O. Box 2815
2020 L Street
Sacramento, CA
95812-2815

www.arb.ca.gov

Dear Sir/Madam:

This letter is to inform you of the dates and times for our public consultation meetings for consideration of possible changes to the Air Resources Board's (ARB) "California Reformulated Gasoline Regulations" (also known as the "cleaner-burning gasoline" regulations). **This letter corrects meeting times stated in the letter distributed at the workshop on March 23, 1998.**

In our letter of February 4, 1998, we indicated that we are evaluating potential means to add flexibility in producing gasoline for California. It is envisioned that refiners could use the regulatory flexibility to more easily produce cleaner-burning gasoline. This could allow reduced production costs and more ability to replace oxygenates with other gasoline components while providing equal or greater emission reductions.

We held a public workshop on this topic on March 23, 1998. Future public consultation meetings will be held as follows:

<u>Date & Time</u>	<u>Place</u>
April 7, 1998, 9:30 am to 12:30 pm	Air Resources Board 2020 "L" Street
April 21, 1998, 9:30 am to 12:30 pm	Sacramento, California 95814 4th Floor Conference Room
May 5, 1998, 9:30 am to 12:30 pm	
May 19, 1998, 9:30 am to 12:30 pm	

At these meetings, the ARB staff will discuss the development and evaluation of potential new versions of the predictive model and the effects of higher cap limits for some properties.

Agendas for each consultation meeting will be posted on the ARB web page (<http://www.arb.ca.gov>), under "cleaner-burning gasoline program", a few days before the meeting.

Air Resources Board

Peter M. Rooney
Secretary for
Environmental
Protection

John D. Dunlap, III, Chairman
P.O. Box 2815 · Sacramento, California 95812 · www.arb.ca.gov

Pete Wilson
Governor

MEMORANDUM

TO: Lee Grissom
Secretary
Trade and Commerce Agency

FROM: *MKS*
Michael P. Kenny
for Executive Officer

DATE: April 14, 1998

SUBJECT: PUBLIC CONSULTATION MEETINGS FOR PROPOSED ADDITIONAL
FLEXIBILITY IN CALIFORNIA'S CLEANER-BURNING GASOLINE
REGULATIONS

I am writing to invite your agency's participation in an effort to evaluate how the Air Resources Board (ARB) might provide additional flexibility in California's cleaner-burning gasoline regulations. I also want to convey to you that, while ARB staff is supportive of providing additional flexibility, we are committed to doing so only if it can be accomplished without reducing the emission and air quality benefits of the existing regulations.

It is envisioned that additional flexibility could be used by refiners to more easily produce cleaner-burning gasoline. This could include producing cleaner-burning gasoline at reduced cost and could allow greater flexibility to replace oxygenates with other gasoline components that provide equal or better emission reductions.

Under current law, gasoline in much of the State must meet a combination of ARB and federal specifications. For refiners to make full use of this flexibility to reduce or eliminate oxygenate usage, Congressional legislation, such as H.R. 630 (Bilbray), would need to be enacted to remove the current oxygenate mandate. The ARB supports changes to federal law to allow the State's rules to fully substitute for the federal requirements.

To date, we have initiated discussions with a number of California's gasoline producers and the Western States Petroleum Association to explore areas where additional flexibility could be provided. We also held a public workshop on March 23, 1998.

ARB has scheduled a series of public consultation meetings for the purpose stated above. The dates and times of future meetings are indicated in the enclosed letter dated March 25, 1998. We invite and welcome your staff's attendance at these meetings. We want to ensure that your agency has an opportunity for input on the issues that may interest you.

Lee Grissom

April 14, 1998
Page 2

Thank you in advance for your contribution to this project. Feel free to direct any questions to me at (916) 445-4383 or Mr. Michael H. Scheible, Deputy Executive Officer, at (916) 322-2890 or to Mr. Peter D. Venturini, Chief, Stationary Source Division, at (916) 445-0650.


Enclosure


cc: Mr. Michael H. Scheible
Deputy Executive Officer

Mr. Peter D. Venturini, Chief
Stationary Source Division

Chris M. Cochran, Acting Director
Regulatory Review Unit
Trade and Commerce Agency
801 K Street, Suite 1918
Sacramento, Ca 95814

MEMORANDUM

TO:  Ralph E. Chandler
Executive Director
Integrated Waste Management Board

FROM:  Michael P. Kenny
Executive Officer

DATE: April 14, 1998

SUBJECT: PUBLIC CONSULTATION MEETINGS FOR PROPOSED ADDITIONAL
FLEXIBILITY IN CALIFORNIA'S CLEANER-BURNING GASOLINE
REGULATIONS

I am writing to invite your agency's participation in an effort to evaluate how the Air Resources Board (ARB) might provide additional flexibility in California's cleaner-burning gasoline regulations. I also want to convey to you that, while ARB staff is supportive of providing additional flexibility, we are committed to doing so only if it can be accomplished without reducing the emission and air quality benefits of the existing regulations.

It is envisioned that additional flexibility could be used by refiners to more easily produce cleaner-burning gasoline. This could include producing cleaner-burning gasoline at reduced cost and could allow greater flexibility to replace oxygenates with other gasoline components that provide equal or better emission reductions.

Under current law, gasoline in much of the State must meet a combination of ARB and federal specifications. For refiners to make full use of this flexibility to reduce or eliminate oxygenate usage, Congressional legislation, such as H.R. 630 (Bilbray), would need to be enacted to remove the current oxygenate mandate. The ARB supports changes to federal law to allow the State's rules to fully substitute for the federal requirements.

To date, we have initiated discussions with a number of California's gasoline producers and the Western States Petroleum Association to explore areas where additional flexibility could be provided. We also held a public workshop on March 23, 1998.

ARB has scheduled a series of public consultation meetings for the purpose stated above. The dates and times of future meetings are indicated in the enclosed letter dated March 25, 1998. We invite and welcome your staff's attendance at these meetings. We want to ensure that your agency has an opportunity for input on the issues that may interest you.

California Environmental Protection Agency

Printed on Recycled Paper

Ralph E. Chandler
April 14, 1998
Page 2

Thank you in advance for your contribution to this project. Feel free to direct any questions to me at (916) 445-4383 or Mr. Michael H. Scheible, Deputy Executive Officer, at (916) 322-2890 or to Mr. Peter D. Venturini, Chief, Stationary Source Division, at (916) 445-0650.

Enclosure

cc: Mr. Michael H. Scheible
Deputy Executive Officer

Mr. Peter D. Venturini, Chief
Stationary Source Division



Cal/EPA

California
Environmental
Protection
Agency



Pete Wilson
Governor

Peter M. Rooney
Secretary for
Environmental
Protection

March 25, 1998

Dear Sir/Madam:



Air Resources Board

P.O. Box 2815
2020 L Street
Sacramento, CA
95812-2815

www.arb.ca.gov

This letter is to inform you of the dates and times for our public consultation meetings for consideration of possible changes to the Air Resources Board's (ARB) "California Reformulated Gasoline Regulations" (also known as the "cleaner-burning gasoline" regulations). **This letter corrects meeting times stated in the letter distributed at the workshop on March 23, 1998.**

In our letter of February 4, 1998, we indicated that we are evaluating potential means to add flexibility in producing gasoline for California. It is envisioned that refiners could use the regulatory flexibility to more easily produce cleaner-burning gasoline. This could allow reduced production costs and more ability to replace oxygenates with other gasoline components while providing equal or greater emission reductions.

We held a public workshop on this topic on March 23, 1998. Future public consultation meetings will be held as follows:

<u>Date & Time</u>	<u>Place</u>
April 7, 1998, 9:30 am to 12:30 pm	Air Resources Board 2020 "L" Street
April 21, 1998, 9:30 am to 12:30 pm	Sacramento, California 95814 4th Floor Conference Room
May 5, 1998, 9:30 am to 12:30 pm	
May 19, 1998, 9:30 am to 12:30 pm	

At these meetings, the ARB staff will discuss the development and evaluation of potential new versions of the predictive model and the effects of higher cap limits for some properties.

Agendas for each consultation meeting will be posted on the ARB web page (<http://www.arb.ca.gov>), under "cleaner-burning gasoline program", a few days before the meeting.