GUIDANCE DOCUMENT

Date: June 5, 2020

Re: Temporary and conditional enforcement suspension of summer-grade RVP requirements due to effects of the COVID-19 crisis on the gasoline supply chain

Analysis:

On March 27, 2020, the U.S. Environmental Protection Agency (EPA) announced several steps for protecting the Nation's gasoline supply chain in response to the effects of the COVID-19 pandemic.

EPA provided additional flexibility to the marketplace to transition from winter-grade, high volatility gasoline to summer-grade, low vapor pressure gasoline. Due to the steep fall-off in gasoline demand as a result of the COVID-19 pandemic, more time is needed to transition the distribution system to the requirements of the summer driving season. As a result, EPA temporarily suspended enforcement of the summer low volatility requirements and blending limitations for gasoline.

Without a temporary suspension of the summer gasoline requirements, parties upstream of retailers and wholesale purchasers would be required to stop selling the winter gasoline that was still in their storage tanks on May 1, 2020, which in turn would prevent loading summer gasoline into those storage tanks. Therefore, unless consumers can purchase the remaining winter gasoline in the supply chain, there will be a shortage of gasoline for consumers this summer.

Code Sections:

Wis. Admin. Code § ATCP 94.210(c), ASTM D4814-18b

Conditions of temporary enforcement suspension:

A conditional and temporary enforcement suspension of Wisconsin Administrative Code § ATCP 94.210(c), which adopts ASTM D4814-18b RVP (Reid Vapor Pressure) gasoline specifications, will occur during the period of May 1, 2020 through May 20, 2020. The conditions of the temporary enforcement suspension are as follows:

- Conventional automotive gasoline and RFG gasoline are included.
- Allows the distribution from ASTM Class A-3 up to ASTM Class E-5 gasoline from May 1 to May 20, 2020.
- Gasoline covered by this temporary enforcement suspension may have an RVP <= 15.0 PSI.
- This temporary and conditional enforcement suspension does not permit refiners to produce gasoline after May 1, 2020 that exceeds the applicable summer gasoline volatility standards; and it does not permit any party to add butane to previously certified conventional gasoline if the butane would cause the gasoline to exceed the applicable summer gasoline volatility standards.

- Gasoline that does not meet the low volatility requirements may not be introduced into terminal storage tanks from which gasoline is dispensed into trucks for distribution to retail outlets after May 20, 2020.
- Any gasoline meeting the conditions of this temporary enforcement suspension that was stored in terminal storage tanks for distribution to retail outlets and wholesale purchaser-consumers before May 1, 2020 and remained in those terminal storage tanks after May 20, 2020, may be distributed and sold until the supply is depleted.
- The department will not take enforcement actions against retailers and wholesale purchaser who sell or dispense gasoline after May 20, 2020 if that gasoline meets all conditions of this guidance document. After supplies of such gasoline are depleted, enforcement of Wis. Admin. Code § ATCP 94.210(c), ASTM 4814-18b will resume.

For questions, please contact Rachelle Miller at 608-224-5156.