

Areas Participating in the Reformulated Gasoline Program

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Introduction

Section 107(d) of the Clean Air Act, as amended in 1990 (the Act), required States to identify all areas that do not meet the national ambient air quality standards (NAAQS) for ozone, and directed EPA to designate these areas as ozone nonattainment areas. Section 181 of the Act required EPA to classify each area as a marginal, moderate, serious, severe or extreme ozone nonattainment area. EPA classified all areas that were designated as in nonattainment for ozone

at the time of the enactment of the 1990 Amendments, except for certain "nonclassifiable" areas (56 FR 56694, ⁽¹⁾ November 6, 1991).

For a current list of reformulated gasoline program areas, refer to the U.S. Environmental Protection Agency, Office of Mobile Sources, [List of Reformulated Gasoline Program Areas](#). For a current list of ozone nonattainment areas, refer to the [EPA Green Book](#).

Mandated RFG Program Areas

The Act mandates the sale of reformulated gasoline ("RFG") in the nine worst ozone nonattainment areas beginning January 1, 1995. EPA determined the nine covered areas to be the metropolitan areas of Baltimore, Chicago, Hartford, Houston, Los Angeles, Milwaukee, New York City, Philadelphia, and San Diego.

Any ozone nonattainment area that is reclassified as severe becomes a mandated RFG program area. Inclusion in the RFG program occurs one year following the date of reclassification. Sacramento was reclassified from serious to severe effective June 1, 1995 and became a mandatory RFG area effective June 1, 1996.

[\[Control Area Populations\]](#)

Table 1. Mandated RFG Program Areas		
Control Area	Estimated Population 7/1/96 (thousands)	Program Start Date
Baltimore, MD	2,436	January 1, 1995
Chicago-Gary-Lake County, IL-IN-WI	8,219	January 1, 1995
Hartford, CT	1,640	January 1, 1995
Houston-Galveston-Brazoria, TX	4,253	January 1, 1995
Los Angeles-Anaheim-Riverside, CA	15,495	January 1, 1995
Milwaukee-Racine, WI	1,784	January 1, 1995
New York City, NY-NJ-CT	18,511	January 1, 1995
Philadelphia, PA-NJ-DE-MD	6,092	January 1, 1995
Sacramento, CA	2,073	June 1, 1996
San Diego, CA	2,655	January 1, 1995
Total Population, Mandated Areas	63,161	23.8% of total U.S.

Total U.S. Population	265,284	population
Sources: Mandated Areas - Environmental Protection Agency, "List of Reformulated Gasoline Program Areas July 2, 1998." Population - U.S. Census Bureau, Place and County Subdivision Population Estimates .		

RFG Program Opt-In Areas

Any area that is currently or previously designated in nonattainment for ozone under the national one-hour ozone standard (since enactment of the 1990 amendments to the Clean Air Act on February 15, 1990) may be included in the RFG program at the request of the Governor of the State in which the area is located. EPA is to require the sale of RFG in the "opt-in" areas within 1 year after an application is received. Although EPA has discretion to establish the effective date for the sale of RFG in these areas, EPA does not have discretion to deny a Governor's request. The effective date for a potential opt-in area may be extended beyond 1 year based on a determination by EPA that there is insufficient domestic capacity to produce RFG ([63 FR 52093](#), Sep. 29, 1998).

Opt-in areas existed in twelve States and the District of Columbia when the RFG program began in January 1995. Each of these areas submitted opt-in requests between March 1991 and June 1992. EPA received an opt-in request from the Governor of Wisconsin shortly before the federal RFG program began. For that request, EPA set an effective date of June 1, 1995 ([60 FR 2693](#), Ja. 11, 1995). Wisconsin subsequently withdrew its opt-in request by letter dated March 31, 1995 ([60 FR 21724](#), May 3, 1995), and the three opt-in counties north of the Milwaukee-Racine mandated area never participated in the RFG program. The Arizona request for the Phoenix area to opt in is the first request EPA has received since the federal RFG program began in January 1995.

[\[Control Area Populations\]](#)

State	Control Area	Opt-In Date	Estimated Population 7/1/96 (thousands)	Federal Register Notice	
				Citation	Date
AZ	Phoenix *	Jul. 3, 1997	2,611*	62 FR 30260	Jun. 3, 1997
CT	Rest of State	Jan. 1, 1995	521	56 FR 66444	Dec. 23, 1991
DC	Washington	Jan. 1, 1995	543	57 FR 24037	Jun. 5, 1992
DE	Sussex Co.	Jan. 1, 1995	131	57 FR 11076	Apr. 2, 1992

KY	Cincinnati-Hamilton	Jan. 1, 1995	306		
	Louisville	Jan. 1, 1995	772		
MA	Entire State	Jan. 1, 1995	6,092	56 FR 57986	Nov. 15, 1991
MD	Washington	Jan. 1, 1995	1,950	57 FR 11076	Apr. 2, 1992
	Kent & Queen Anne's Co.	Jan. 1, 1995	57		
ME	Knox-Lincoln *	Jan. 1, 1995	69 *	56 FR 46119	Sep. 10, 1991
	Lewiston-Auburn *	Jan. 1, 1995	218 *		
	Portland *	Jan. 1, 1995	458 *		
	Hancock & Waldo Co. *	Jan. 1, 1995	85 *		
MO	St. Louis	June 1, 1999	1,889	64 FR 10365	Mar. 3, 1999
NH	Boston-Lawrence- Worcester	Jan. 1, 1995	695	56 FR 66444	Dec. 23, 1991
NJ	Allentown-Bethlehem- Easton (Warren Co.)	Jan. 1, 1995	98	57 FR 11076	Apr. 2, 1992
	Atlantic City	Jan. 1, 1995	334		
NY	Essex	Jan. 1, 1995	300	57 FR 7926	Mar. 5, 1992
	Albany *	Jan. 1, 1995	893 *		
	Buffalo *	Jan. 1, 1995	1,175 *		
	Jefferson Co. *	Jan. 1, 1995	114 *		

PA	Western part of State *	Jan. 1, 1995	6,460 *	56 FR 57986	Nov. 15, 1991
RI	Entire State	Jan. 1, 1995	990	56 FR 38434	Aug. 13, 1991
TX	Dallas-Fort Worth	Jan. 1, 1995	4,026	57 FR 46316	Oct. 8, 1992
VA	Norfolk	Jan. 1, 1995	1,452	56 FR 66444	Dec. 23, 1991
	Richmond	Jan. 1, 1995	797		
	Washington	Jan. 1, 1995	1,722		
Total Population, Opt-In Areas			34,758	13.1% of total U.S. population	
Total U.S. Population			265,284		
<p>Notes: * Control areas appearing in red have since opted out of the RFG program (refer to Table 4). opt-in date represents date of implementation for retailers and wholesale purchaser-consumers. Implementation date for all others (i.e., refiners, importers, and distributors) is generally 1 month earlier.</p> <p>Sources: Population - U.S. Census Bureau, Place and County Subdivision Population Estimates. Opt-in Areas - Environmental Protection Agency, "List of Reformulated Gasoline Program Areas July 2, 1998"</p>					

RFG Program Opt-Out Areas and Procedures

During the development of the RFG rule, a number of States inquired as to whether they would be permitted to opt out of the RFG program at a future date, or opt out of certain requirements. The final RFG regulations, issued on December 15, 1993 (56 FR 7716), did not include procedures for opting out of the RFG program. EPA first adopted procedures that apply to opt-out petitions received through December 31, 1997 ([Table 3](#)). These interim procedures allowed States to opt-out 90 days after EPA approval of their petition.

In late 1997, EPA implemented restrictions on opt outs for the period January 1, 1998 through December 31, 2003. EPA's objective was to provide a stable regulatory environment that will not unreasonably inhibit cost recovery, which could lead to supply problems and cost fluctuations that could diminish the appeal and cost-effectiveness of the RFG program. EPA was concerned about the investment decisions the refining industry must make to achieve the more stringent Phase II emissions reductions. Unanticipated changes in demand, due to opt-outs, could make cost recovery of investment difficult. To avoid this, refiners may minimize capital investments and rely on costly operational changes to meet the Phase II requirements. This approach could lead to higher gasoline prices that would diminish the cost-effectiveness of the RFG program.

Table 3. History of EPA Rulemaking on Opt-Out Procedures

Action	Effective Date	Federal Register Notice	
		Citation	Date
Final rule for opt-out requests submitted after December 31, 1997.	Nov. 19, 1997	62 FR 54552	Oct. 20, 1997
Notice of proposed rulemaking for opt out requests submitted after December 31, 1997.	n/a	62 FR 15077	Mar. 28, 1997
Final rule for opt out requests submitted before December 31, 1997.	Aug. 7, 1996	61 FR 35673	Jul. 8, 1996
Notice of proposed rulemaking for opt-out requests submitted before December 31, 1997.	n/a	60 FR 31269	Jun. 14, 1995

In summary, the opt-out restrictions are:

- Through *December 31, 1997*: States that want to end their involvement in the federal RFG program and not participate in Phase II of the program, must submit a complete opt-out petition to EPA by December 31, 1997. Opt-out petitions become effective 90 days from approval by the EPA (or more at a State's request, but at least by December 31, 1999).
- *January 1, 1998 to December 31, 2003*: If a State has not submitted an opt-out petition to EPA by December 31, 1997, it must participate in the federal RFG program until December 31, 2003. Areas opting into the RFG program after December 31, 1997 must also remain in the program at least until December 31, 2003. Similarly, a mandated area that reaches attainment of the ozone standard and is redesignated during this period must also wait until after December 31, 2003 to opt out.
- After *December 31, 2003*: Opt-out petitions become effective 90 days from approval by EPA

Table 4. RFG Program Opt-Out Areas

State	Control Area	Opt-Out Date	Estimated Population 7/1/96 (thousands)	Federal Register Notice	
				Citation	Date
AZ	Phoenix *	Jun. 10, 1998	2,611	63 FR 43043	Aug. 11, 1998
ME	Hancock & Waldo Co.	Aug. 7, 1996 **	85	61 FR 35673	Jul. 8, 1996
	Knox-Lincokn	Mar. 10, 1999	69	64 FR 26306	May 14, 1999
	Lewiston-Auburn		218		
	Portland		458		
NY	Albany	Aug. 7, 1996 **	893	61 FR 35673	Jul. 8, 1996
	Buffalo		1,175		
	Jefferson Co.		114		
PA	Western part of State	Aug. 7, 1996 **	6,460	61 FR 35673	Jul. 8, 1996
Total Population, Opt-Out Areas			12,083	4.6% of total U.S. population	
Total U.S. Population			265,284		
<p>Notes: * Phoenix, Arizona, is now operating a State reformulated gasoline program (see Table 5 below). ** On January 11, 1995, EPA issued a 6-month stay of the RFG program in the Maine, New York, and Pennsylvania areas (60 FR 2696) and on July 10, 1995, EPA extended the stay until it finalized the opt-out rulemaking procedures (60 FR 35488).</p> <p>Sources: Opt-out Areas - Environmental Protection Agency, "List of Reformulated Gasoline Program Areas July 2, 1998". Population - U.S. Census Bureau, Place and County Subdivision Population Estimates</p>					

State Programs

States may implement their own cleaner burning gasoline programs without opting into the federal RFG program. For example, California requires participation of its northern counties in its State-wide reformulated gasoline program run by the California Air Resources Board (CARB) even though these areas are not part of the federal RFG program. Phoenix, Arizona (Maricopa County) opted out of the federal RFG but still requires that all gasoline meet either the federal or CARB reformulated gasoline specifications.

Table 5. State Reformulated Gasoline Programs

State	Control Area	Estimated Population 7/1/96 (thousands)	Program Start Date
AZ	Phoenix	2,611	June 10, 1998
CA	Northern California	11,654	June 1, 1996

Notes: *Program start date* represents date of implementation for retailers and wholesale purchaser-consumers. Requirements at the refiner and wholesale levels may have started earlier. For Phoenix, AZ., cleaner burning gasoline program, refer to [63 FR 6653](#) (February 10, 1998). For California cleaner burning gasoline program, refer to [California Air Resources Board](#)

Endnotes

(1) the "56 FR 56694" notation is the citation for the *Federal Register*, volume 56, page 56694.



File last modified: June 15, 1999

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