

**GEORGIA DEPARTMENT OF NATURAL RESOURCES**

**ENVIRONMENTAL PROTECTION DIVISION – AIR BRANCH**

**MOBILE AND AREA SOURCES PROGRAM – FUELS UNIT**

**4244 International Parkway, Suite 136, Atlanta, GA 30354**

**Lonice Barrett, Commissioner**

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# **GASOLINE MARKETING PROGRAM**

**Clarification: The official Gasoline Marketing rules Chapter 391-3-1-.02(2)(bbb) take precedence over this guidance if there are any conflicting statements**

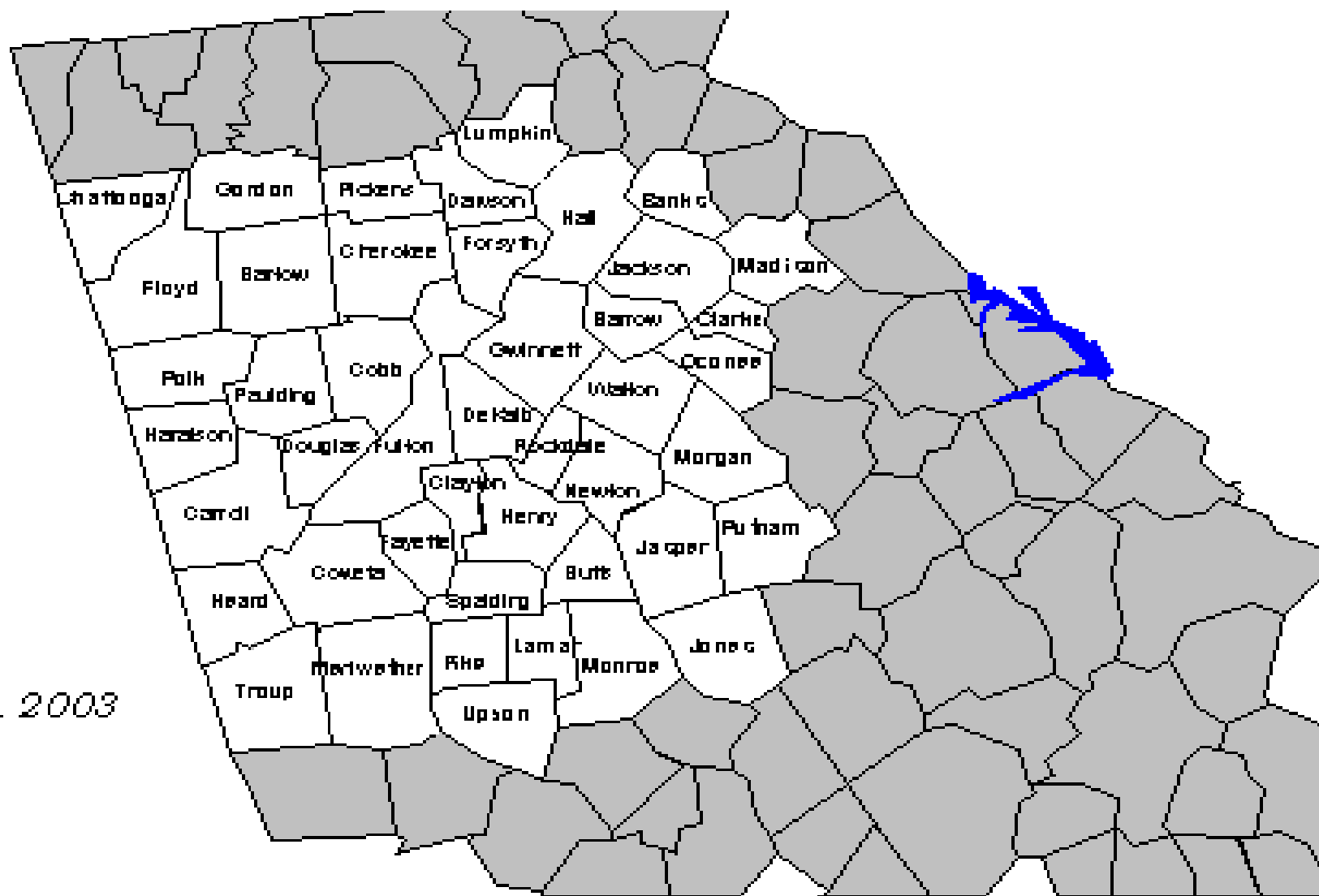
# DEFINITIONS / INFORMATION

- **Importer** – any person who transports gasoline from another state or foreign country into the State of Georgia. The importer is the owner of the product when it crosses the state line
- **Refinery-level sampling** –sampling done at the refinery gate
- **Downstream sampling** – sampling done at retail or terminal locations by the Georgia Department of Agriculture
  - **Note:** The use of the term “recommended” refers to the EPD’s recommendation to ensure proper turnover
  - **Note:** All sulfur averages and per gallon caps are determined “by weight”
  - **Note:** There are currently no producers in Georgia

# EXPANDED AREA

- **Effective April 1, 2003, the Gasoline Marketing rule applies in the following 45 county area:** Banks, Barrow, Bartow, Butts, Carroll, Chattooga, Cherokee, Clarke, Clayton, Cobb, Coweta, Dawson, DeKalb, Douglas, Fayette, Floyd, Forsyth, Fulton, Gordon, Gwinnett, Hall, Haralson, Heard, Henry, Jackson, Jasper, Jones, Lamar, Lumpkin, Madison, Meriwether, Monroe, Morgan, Newton, Oconee, Paulding, Pickens, Pike, Polk, Putnam, Rockdale, Spalding, Troup, Upson, and Walton

# GEORGIA 45 COUNTY LOW SULFUR/LOW RVP GASOLINE CONTROL AREA



*Starting in 2003*

# **RVP (REID VAPOR PRESSURE)**

- **Rule applies in the expanded 45 county area**
  - **7.0 psi RVP will be enforced seasonally from June 1<sup>st</sup> through September 15<sup>th</sup> every year**

# KEY DATES IN 2003

- Effective **April 1 – Sept 15, 2003**, the sulfur content of all gasoline designated for the 45 county area must maintain a quarterly average of **90 ppm** (by weight) with a per gallon cap set at **200 ppm** (by weight)
- Effective **June 1 – Dec 31, 2003**, the sulfur content of gasoline sampled at a downstream location shall not exceed **230 ppm** (by weight)

# SULFUR ANNUAL AVERAGE REVISED EFFECTIVE DATE

- **Effective *Sept 16, 2003*, the sulfur content of all gasoline designated for the 45 county area must maintain an *annual average* of 30 ppm (by weight) and a per gallon cap of 150 ppm (by weight)**

# COMPLIANCE REQUIREMENTS IN 2003

Product	Product Specifications	Effective Date	Downstream Limits	Effective Date
Sulfur Quarterly Avg	90 ppm	April 1, 2003- <i>Sept 15, 2003</i>	(1)	(1)
Sulfur Annual Avg	30 ppm	<i>Sept 16, 2003</i>	(1)	(1)
Sulfur per gallon cap	200 ppm	April 1, 2003- <i>Sept 15, 2003</i>	230 ppm	June 1, 2003- <i>Dec 31, 2003</i>
	(150 ppm)	<i>(Sept 16, 2003)</i>		
RVP	7.0 psi	June 1, 2003	7.3 psi	June 1, 2003- Sept 15, 2003

<sup>1</sup>Not Applicable

**Yellow/ Italics represents recent rule changes**

July 2003



# KEY DATES IN 2004

- Effective **January 1, 2004**, the downstream sulfur per gallon cap will decrease from 230 ppm to **175** ppm
- The importer sulfur per gallon cap is not to exceed 150 ppm (by weight) except:
  - Effective June 1, 2004, the seasonal per gallon cap shall not exceed 80 ppm (95 ppm downstream) for the seasonal control period from June 1<sup>st</sup> through September 15<sup>th</sup> each calendar year

# COMPLIANCE REQUIREMENTS IN 2004

Product	Product Specifications	Effective Date	Downstream Limits	Effective Date
Sulfur Annual Average	30 ppm	<i>Sept 16, 2003</i>	(1)	(1)
Sulfur per gallon cap	150 ppm	<i>Sept 16, 2003</i>	175 ppm	<i>Jan 1, 2004</i>
Seasonal Sulfur per gallon cap	80 ppm	June 1, 2004- Sept 15, 2004	95 ppm	June 1, 2004- Sept 15, 2004
RVP	7.0 psi	June 1, 2004- Sept 15, 2004	7.3 psi	June 1, 2004- Sept 15, 2004

<sup>1</sup>Not Applicable  
July 2003

*Yellow/ Italics represents rule changes*

# REPORTING IN 2003

- **Importer Reporting Requirements Effective April 1, 2003**
  - **Initial Shipment Report**
    - **The reports must be received within 30 days of the first Atlanta delivery date of required gasoline with new specifications**
      - **Every spec change, whether RVP or sulfur requires an Initial Report**
  - **Quarterly Report**
    - **Must be submitted within 60 days following the end of each calendar quarter**
    - **Based on product receipt dates with the exception of product meeting the 90ppm specifications that was shipped before April 1, 2003 which should go on the 2<sup>nd</sup> quarter report**

# 2003 QUARTERLY REPORT DATES

Atlanta Delivery Dates	Report Due Dates <sup>1</sup>	Quarterly Report
January 1 – March 31	May 30 <sup>th</sup>	1 <sup>st</sup> Quarter <sup>2</sup>
April 1 – June 30	August 29 <sup>th</sup>	2 <sup>nd</sup> Quarter
July 1 – September 30	November 30 <sup>th</sup>	3 <sup>rd</sup> Quarter <sup>3</sup>
October 1 – December 31	March 1 <sup>st</sup>	4 <sup>th</sup> Quarter <sup>3</sup>

<sup>1</sup> Due dates that fall on a weekend or holiday default to the next business day.

<sup>2</sup> A quarterly report is not required for the first quarter of 2003.

<sup>3</sup> Due to a mid-calendar quarter change in sulfur requirements, two separate reports may be required for gasoline received during the 3<sup>rd</sup> and 4<sup>th</sup> Quarters of 2003, respectively. Gasoline which meets the quarterly sulfur averaging standard of 90 ppm with its 200 ppm per gallon cap must be reported separately from gasoline which meets the annual sulfur averaging standard of 30 ppm with its 150 ppm per gallon cap. In 2003 only, the 3<sup>rd</sup> Quarter has been defined as ending September 15<sup>th</sup>. Thus, the 4<sup>th</sup> Quarter of 2003 will begin September 16<sup>th</sup>.

# OTHER 2003 REPORTING DUE DATES

Report	Report Due Dates <sup>1</sup>	Explanation
Initial Shipment <sup>2</sup>	Within 30 days of the reported Atlanta Delivery date	Each initial shipment of low RVP and/or low sulfur gas
Annual <sup>3</sup>	March 1 <sup>st</sup>	1 <sup>st</sup> Annual Report will be due on March 1, 2004

<sup>1</sup> Due dates that fall on a weekend or holiday default to the next business day.

<sup>2</sup> An Initial Shipment Report is required for each change in specifications.

<sup>3</sup> The 2004 Annual Report is due no later than March 1, 2005, and must include all gasoline shipments beginning September 16, 2003, which are received in Georgia on or before December 31, 2004.

# **Annual Report Requirements**

- **Due by March 1<sup>st</sup> of each year**
- **The 2003 annual report will be a summary of all product reported in each 2003 calendar quarter.**
- **The 2004 annual report will be a summary of all product reported in each 2004 calendar quarter and will also include all 30 ppm annual average sulfur material reported in 2003. Such 2003 material will also be included in the 2004 annual average.**
- **The 2005 and beyond annual reports will be a summary of all product reported in each respective annual calendar quarter. An annual average will be developed for each annual report.**

# **DATES USED TO DETERMINE REPORTING COMPLIANCE**

- **First shipment and quarterly reporting compliance is linked to the Atlanta Delivery Date specified in the Atlanta Fuel Supplier (Producer/Importer) Report**
  - (full report example on the following page)

## **Partial example of the Atlanta Fuel Supplier Report**

<b>Sample Date</b>	<b>Refinery of Origin</b>	<b>Refinery or EPA Batch Number</b>	<b>Pipeline Batch Number</b>	<b>Atlanta Delivery Date</b>
<b>04/16/02</b>	<b>TXC</b>	<b>URCWPS116</b>	<b>AMO-0V-111</b>	<b>04/22/02</b>

Producer/Supplier Name:			
Mailing Address:			
Contact:			E-mail:
Phone:			Fax:

**E-mail: [Gasoline\\_Marketing@dnr.state.ga.us](mailto:Gasoline_Marketing@dnr.state.ga.us)**

[illegible]

Total Atlanta Volume, MB:	
Average Sulfur, ppm:	

Volume = Volume delivered to Atlanta.

All suppliers (producers/importers) of "Georgia Gasoline" to the affected area should maintain this form in order to track compliance. The gasoline volume and associated sulfur values to be reported on the form by a supplier include: (1) the volume produced/imported by that supplier, i.e., that volume the supplier has title to, and (2) any volume produced/imported by other supplier(s) on behalf of the reporting party, that is not included in that supplier's report."



# QUARTERLY REPORT DUE DATES 2004 & BEYOND

<b>Atlanta Delivery Dates</b>	<b>Report Due Dates</b>	<b>Quarterly Report</b>
<b>Jan 1 – March 31</b>	<b>May 30<sup>th</sup></b>	<b>1<sup>st</sup> Quarter</b>
<b>April 1 – June 30</b>	<b>August 29<sup>th</sup></b>	<b>2<sup>nd</sup> Quarter</b>
<b>July 1 – Sept 30</b>	<b>November 30<sup>th</sup></b>	<b>3<sup>rd</sup> Quarter</b>
<b>Oct 1 – Dec 31</b>	<b>March 1<sup>st</sup></b>	<b>4<sup>th</sup> Quarter</b>

# OTHER REPORTING DUE DATES 2004 & BEYOND

<b>Reports</b>	<b>Report Due Dates</b>	<b>Explanation</b>
<b>Initial Shipment</b>	<b>Within 30 days of the reported Atlanta delivery date</b>	<b>Each initial shipment of gasoline with new specs for RVP and sulfur</b>
<b>Annual Reporting</b>	<b>March 1st</b>	<b>January 1- December 31 period</b>

# REPORTING GUIDELINES

- **The “Atlanta Volume” must be reported in thousand barrels (MB)**
  - **Example: An Atlanta volume of 25,023 barrels should be reported as 25.023 MB**

# REPORTING GUIDELINES

- **The sulfur content of the reported batch of gasoline must be reported in whole numbers:**
  - **Example: 30.6 ppm is 31 ppm**
- **The volume-weighted, quarterly and annual average of sulfur content must be reported to two decimal places:**
  - **Example: 90.512 would be reported as 90.51**
- **RVP requires two decimal places:**
  - **Example: 6.945 psi would be 6.95 psi**

# REPORTING GUIDELINES

**Partial example of decimal place requirements for the  
Atlanta Fuel Supplier (Producer/Importer) Report**

<b>Atlanta Volume (MB)</b>	<b>Refinery RVP (psi)</b>	<b>Refinery Sulfur (ppm)</b>	<b>Volume-Weighted Sulfur Average To Date</b>
<b>12.345</b>	<b>6.95</b>	<b>30</b>	<b>30.00</b>
<b>25.023</b>	<b>6.73</b>	<b>53</b>	<b>45.40</b>

# Bill of Lading Product Labeling Guidance

- **EPA-CONV** means this gasoline was not produced to meet the low sulfur or low RVP fuel specifications for the 45-county Atlanta fuel control area after May 31, 2003
- **GA-LS-Q** means this gasoline meets the applicable quarterly, low sulfur only fuel specifications for the 45-county Atlanta fuel control area.
- **GA-LS-Q/RVP** means this gasoline meets the applicable seasonal, low sulfur quarterly and low RVP fuel specifications for the 45-county Atlanta fuel control area.
- **GA-LS-A** means this gasoline meets the applicable annual, low sulfur only fuel specifications for the 45-county Atlanta fuel control area.
- **GA-LS-A/RVP** means this gasoline meets the applicable seasonal, low sulfur and low RVP fuel specifications for the 45-county Atlanta fuel control area.

# Bill of Lading Product Labeling

## Guidance Continued

- **EPA Conventional gasoline shipments originating within, but delivered outside the 45-county fuel-control area should be labeled **EPA-CONV****
- **Gasoline designated for sale or supply in the 45-county fuel-control area from April 1 – Sept 15, 2003, and meets the quarterly 90 ppm sulfur average should be labeled **GA-LS-Q** or if it meets the seasonal 7.0 psi RVP limit, **GA-LS-Q/RVP****
- **Gasoline designated for the 45-county fuel-control area after Sept 15, 2003, and meeting the 30 ppm annual sulfur average should be labeled **GA-LS-A** except:**
  - **During the seasonal control period from June 1<sup>st</sup> – Sept 15<sup>th</sup>, beginning in 2004, where the designated product meets the 7.0 psi RVP limit and the 80 ppm per gallon sulfur cap, the bill of lading should be labeled **GA-LS-A/RVP****

# **Bill of Lading Enforcement**

- **No later than June 1, 2003, every Bill of Lading representing gasoline distributed from said terminal must have the appropriate labeling. Furthermore, all product distributed after April 1, 2003, will be subject to compliance audits and penalties for violations.**
- **Base penalty of up to \$25,000 per day for product not properly labeled.**



# **INITIAL 2003 PRODUCT TURN-OVER**

- **All Gasoline at terminal and retail locations must meet applicable quarterly sulfur and seasonal RVP limits no later than June 1, 2003**

# **SUBSEQUENT 2004 PRODUCT TURN-OVER**

- **All Gasoline at terminal and retail locations must meet applicable Annual sulfur standards by January 1, 2004, and seasonal RVP limits no later than June 1, 2004**

# TESTING

- **Will follow previously used procedures incorporating the required specifications**
- **Will be year-round**
- **Terminal-level sampling will be triggered if the Division's field testing from the previous calendar year indicates a seasonal arithmetic average sulfur content of 85 ppm or more for 2003 or an annual average of 30 ppm or more beginning January 1, 2004**

# **NONCOMPLIANCE**

- **Violations of the rule by the importer, transport company or individual stations may incur enforcement action by EPD in the form of:**
  - **Notice of Violation**
  - **Warning Letter or Consent Order**
  - **Administrative Order**

# **VIOLATIONS**

- **Intentional/Unintentional**
  - **Delinquent Reporting**
  - **Average Sulfur**
    - **Quarterly**
    - **Annual**
  - **Per Gallon Sulfur**
  - **Per Gallon RVP**

# **VIOLATIONS**

- **Intentional violations will incur higher penalties than first time and/or unintentional violations**
- **Repeat violators will incur penalties higher than the listed amounts**

# **DELINQUENT REPORTING PENALTY**

- **Failure to submit required reports, submission of late reports or failure to provide mandatory records upon request, etc**
  - **\$1,000 to \$5,000 per occurrence**

# **SULFUR AVERAGING VIOLATIONS**

- **In case of sulfur averaging violation**
  - **Up to \$25,000 per day**
  - **Additional penalties associated with actual air quality impacts**



# **RVP AND/OR SULFUR CAP VIOLATIONS**

- **In case of RVP and/or sulfur per gallon cap violation(s)**
  - **Up to \$25,000 per day**
  - **Additional penalties associated with actual air quality impacts**

# EXCESS NO<sub>x</sub> EMISSION

- **Excess NO<sub>x</sub> emissions associated with higher sulfur amounts are determined by using an appropriate gasoline vehicle emission factor from EPA's mobile source emission factor model, composited from the fuel control area's historical fleet mix**
- **Based on the total excess emissions, EPD would calculate a penalty**

# EXCESS VOC EMISSIONS

- **In addition to a noncompliance penalty, EPD will calculate the excess VOC emissions associated with higher RVP**
- **Excess VOC emissions are determined by using EPA guidelines (AP-42 Compilation of Air Pollutant Emission Factors) and gasoline vehicle emission factors from EPA's mobile source emissions factor model, composited from the fuel control area's historical fleet mix**

# **ADDITIONAL PENALTY CALCULATIONS FOR RVP VIOLATIONS OVER 8,800 GALLONS**

- **To determine the excess evaporative emissions from transportation, transfer, and storage of the higher RVP gasoline, EPA guidance used is: AP-42, Compilation of Air Pollutant Emission Factors**
  - **<http://www.epa.gov/ttn/chief/ap42/ch05/>**
- **To determine the excess emissions associated with combustion of the higher RVP gasoline, an appropriate gasoline vehicle emission factor from EPA's mobile source emission factor model is used**
- **Penalty is assessed based on excess emissions**

# **ADDITIONAL PENALTY CALCULATIONS FOR RVP VIOLATIONS BELOW 8,800 GALLONS**

- **For volume below 8,800 gallons or if a small volume cannot be determined accurately**
  - **The RVP Penalty Look-Up Table on the following page will be used**

# RVP PENALTY LOOK-UP TABLE

RVP (psi)	9.3	\$125	\$125	\$175	\$175	\$225	\$225	\$275	\$275
	8.8	\$100	\$100	\$150	\$150	\$200	\$250	\$250	\$250
	8.3	\$75	\$75	\$125	\$125	\$175	\$175	\$225	\$225
	7.8	\$50	\$50	\$100	\$100	\$150	\$150	\$200	\$200
	7.3								
Jun 1 - Jun 15 - Jun 29 - July 14 - July 28 - Aug. 11 - Aug 25 - Sept 8 - Sept 15									

## EPD SAMPLING INTERVAL DATES

# **QUESTION AND ANSWER FOLLOW-UP**

- **The following slides address questions that have been submitted to EPD**

# **What are the sulfur requirements if I ship before April 1, 2003?**

- **If an importer sends a shipment before April 1, 2003, designated for the 45 county control area and intended to be sold on or after June 1, 2003, then it must meet the average sulfur requirements and be included in the first quarterly report (90 ppm quarterly average/200 ppm per gallon cap)**
- **Any product shipped from the refinery on or after April 1, 2003, must meet applicable sulfur requirements and be included in the appropriate quarterly report based on Atlanta receipt date**



# What are the RVP requirements if I ship before April 1, 2003?

- The RVP requirements are seasonal from June 1<sup>st</sup> to September 15<sup>th</sup>
- To ensure proper turnover, EPD recommends shipping the 7.0 psi RVP gasoline beginning April 1<sup>st</sup>
- Beginning June 1, 2003, all gasoline for the 45 county area must meet the 7.0 psi RVP requirement (7.3 psi downstream)
- All gasoline intended to be sold in the 45 county area from June 1<sup>st</sup> through Sept. 15<sup>th</sup> must meet the seasonal 7.0 psi RVP requirements, regardless of refinery shipment date

# **What are the requirements if I ship gasoline before Sept. 16, 2003, with the intention of selling it on or after Sept. 16, 2003?**

- **September 16, 2003, is the refinery shipment date that mandates the 30 ppm sulfur annual average and 150 ppm per gallon cap requirements**
- **See Gasoline Marketing Supplemental Guidance Documents from July 2003**

# **What if I send a shipment before June 1, 2004?**

- **Any gasoline shipped to Georgia before June 1<sup>st</sup> with the intention of selling the gasoline in the 45-county control area during the seasonal control period of June 1<sup>st</sup> through September 15<sup>th</sup>, must meet the seasonal RVP and sulfur requirements**

# **So, the seasonal RVP and sulfur requirements begin on June 1, 2004?**

- **The RVP and sulfur seasonal regulations are in effect from June 1<sup>st</sup> through September 15<sup>th</sup>**
- **From June 1<sup>st</sup> through September 15<sup>th</sup>, the RVP and sulfur requirements must be met at terminal and retail level in the covered area**

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**For further information, the EPD  
website can be accessed at:**

**[http://www.ganet.org/dnr/environ/forms\\_files/epdforms.htm](http://www.ganet.org/dnr/environ/forms_files/epdforms.htm)**

**If there are any questions, please contact  
the Fuels Unit at 404-363-7028 or  
[Gasoline\\_Marketing@dnr.state.ga.us](mailto:Gasoline_Marketing@dnr.state.ga.us)**