

§ 80.1275

40 CFR Ch. I (7–1–10 Edition)

2004–2005 may be eligible to generate early benzene credits under § 80.1275 upon petition to and approval by EPA, pursuant to § 80.1285(d).

(3) Importers may not generate early credits.

(b) *Standard benzene credits.* Standard benzene credits are credits generated after 2010, or after 2014 if generated by a small refiner approved under § 80.1340.

(1) Unless otherwise provided for elsewhere in this subpart, standard credits may be generated under § 80.1290 as follows:

(i) A refiner may generate standard credits separately for each of its refineries.

(ii) An importer may generate standard credits for all of its imported gasoline.

(2) Oxygenate blenders, butane blenders, and transmix producers may not generate standard credits.

(3) Foreign refiners may not generate standard credits.

§ 80.1275 How are early benzene credits generated?

(a) For each averaging period per paragraph (b) of this section in which a refinery plans to generate early credits, its average gasoline benzene concentration calculated according to § 80.1238(a) must be at least 10% lower than its benzene baseline concentration approved under § 80.1280.

(b) The early credit averaging periods are as follows:

(1) For 2007, the seven-month period from June 1, 2007 through December 31, 2007.

(2) For 2008, 2009 and 2010, the 12-month calendar year.

(3) For small refiners approved under § 80.1340, the 12-month calendar years 2011, 2012, 2013, and 2014 in addition to the periods specified in paragraphs (b)(1) and (b)(2) of this section.

(c) The number of early benzene credits generated shall be calculated for each applicable averaging period as follows:

$$EC_y = \left[\frac{B_{\text{Base}} - B_{\text{avg},y}}{100} \right] \times V_{e,y}$$

Where:

EC_y = Early credits generated in averaging period y (gallons benzene).

B_{Base} = Baseline benzene concentration of the refinery (volume percent benzene), per § 80.1280(a).

B_{avg,y} = Average benzene concentration of gasoline produced at the refinery during averaging period y (volume percent benzene), per § 80.1238.

V_{e,y} = Total volume of gasoline produced at the refinery during averaging period y (gallons).

(d) A refinery that plans to generate early credits must also show that it has met all of the following requirements prior to or during the first early credit averaging period, per paragraph (b) of this section, in which it generates early credits:

(1) Since 2005, has made operational changes and/or improvements in benzene control technology to reduce gasoline benzene levels, including at least one of the following:

(i) Treating the heavy straight run naphtha entering the reformer using light naphtha splitting and/or isomerization.

(ii) Treating the reformate stream exiting the reformer using benzene extraction or benzene saturation.

(iii) Directing additional refinery streams to the reformer for treatment described paragraphs (d)(1)(i) and (ii) of this section.

(iv) Directing reformate streams to other refineries with treatment capabilities described in paragraph (d)(1)(ii) of this section.

(v) Providing for benzene alkylation.

(2)(i) A refiner may petition EPA to approve, for purposes of paragraph (d)(1) of this section, the use of operational changes and/or improvements in benzene control technology that are not listed in paragraph (d)(1) of this section to reduce gasoline benzene levels at a refinery.

(ii) The petition specified in paragraph (d)(2)(i) of this section must be sent to: U.S. EPA, NVFEL-ASD, Attn: MSAT2 Early Credit Benzene Reduction Technology, 2000 Traverwood Dr., Ann Arbor, MI 48105.

(iii) The petition specified in paragraph (d)(2)(i) of this section must show how the benzene control technology improvement or operational change results in a net reduction in the refinery's average gasoline benzene level, exclusive of benzene reductions due simply to blending practices.

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(iv) The petition specified in paragraph (d)(2)(i) of this section must be submitted to EPA prior to the start of the first averaging period in which the refinery plans to generate early credits.

(v) The refiner must provide additional information as requested by EPA.

(3) Has not included gasoline blendstock streams transferred to, from, or between refineries, except as noted in paragraph (d)(1)(iv) of this section.

(e) Early benzene credits calculated in accordance with paragraph (c) of this section shall be expressed to the nearest gallon. Fractional values shall be rounded down if less than 0.50, and rounded up if greater than or equal to 0.50.

[72 FR 8544, Feb. 26, 2007, as amended at 73 FR 61363, Oct. 16, 2008]

§ 80.1280 How are refinery benzene baselines calculated?

(a) A refinery's benzene baseline is based on the refinery's 2004–2005 average gasoline benzene concentration, calculated according to the following equation:

$$B_{\text{Base}} = \frac{\sum_{i=1}^n (V_i \times B_i)}{\sum_{i=1}^n V_i}$$

Where:

B_{Base} = Benzene baseline concentration (volume percent benzene).

i = Individual batch of gasoline produced at the refinery from January 1, 2004 through December 31, 2005.

n = Total number of batches of gasoline produced at the refinery from January 1, 2004 through December 31, 2005 (or the total number of batches of gasoline pursuant to § 80.1285(d)).

V_i = Volume of gasoline in batch i (gallons).

B_i = Benzene content of batch i (volume percent benzene).

(b) A refiner for a refinery that included oxygenate blended downstream of the refinery in compliance calculations for RFG or conventional gasoline for calendar years 2004 or 2005 under § 80.69 or § 80.101(d)(4) must include the volume and benzene concentration of

this oxygenate in the benzene baseline calculation for that refinery under paragraph (a) of this section.

§ 80.1285 How does a refiner apply for a benzene baseline?

(a) A benzene baseline application must be submitted for each refinery that plans to generate early credits under § 80.1275. The application must include the information specified in paragraph (c) of this section and must be submitted to EPA at least 60 days before the first averaging period in which the refinery plans to generate early credits.

(b) For U.S. Postal delivery, the benzene baseline application shall be sent to: Attn: MSAT2 Benzene, Mail Stop 6406J, U.S. Environmental Protection Agency, 1200 Pennsylvania Ave., NW., Washington, DC 20460. For commercial delivery: MSAT2 Benzene, 202–343–9038, U.S. Environmental Protection Agency, 1310 L Street, NW., Washington, DC 20005.

(c) The benzene baseline application must include the following information:

(1) A listing of the names and addresses of all refineries owned by the company.

(2) The benzene baseline for gasoline produced in 2004–2005 at the refinery, calculated in accordance with § 80.1280.

(3) Copies of the annual reports required under § 80.75 for RFG and § 80.105 for conventional gasoline.

(4) A letter signed by the president, chief operating officer, or chief executive officer, of the company, or his/her designee, stating that the information contained in the benzene baseline determination is true to the best of his/her knowledge.

(5) Name, address, phone number, facsimile number and e-mail address of a corporate contact person.

(d) For a refinery that may be eligible to generate early credits under § 80.1270(a)(2)(ii), a refiner may submit to EPA a benzene baseline application per the requirements of this section. The refiner must also submit information regarding the nature and cause of the refinery's production activity that resulted in irregular or less than full production, how it affected the baseline benzene concentration, and whether