§ 80.1238 How is a refinery’s or importer’s average benzene concentration determined?

(a) The average benzene concentration of gasoline produced at a refinery or imported by an importer for an applicable averaging period is calculated according to the following equation:

\[
B_{avg} = \frac{\sum_{i=1}^{n} (V_i \times B_i)}{\sum_{i=1}^{n} V_i}
\]

Where:

- \(B_{avg}\) = Average benzene concentration for the applicable averaging period (volume percent benzene).
- \(i\) = Individual batch of gasoline produced at the refinery or imported during the applicable averaging period.
- \(n\) = Total number of batches of gasoline produced at the refinery or imported during the applicable annual averaging period.
- \(V_i\) = Volume of gasoline in batch \(i\) (gallons).
- \(B_i\) = Benzene concentration of batch \(i\) (volume percent benzene), per §80.46(e).

§ 80.1236 What requirements apply to California gasoline?

(a) Definition. For purposes of this subpart, “California gasoline” means any gasoline designated by the refiner or importer as for use only in California and that is actually used in California.

(b) California gasoline exemption. California gasoline that complies with all the requirements of this section is exempt from the requirements in §80.1230.

(c) Requirements for California gasoline. The following requirements apply to California gasoline:

(1) Each batch of California gasoline must be designated as such by its refiner or importer.

(2) Designated California gasoline must be kept segregated from gasoline that is not California gasoline at all points in the distribution system.

(3) Designated California gasoline must ultimately be used in the State of California and not used elsewhere in the United States.

(4) In the case of California gasoline produced outside the State of California, the transferors and transferees must meet the product transfer document requirements under §80.81(g).

(5) Gasoline that is ultimately used in any part of the United States outside of the State of California must comply with the requirements specified in §80.1230, regardless of any designation as California gasoline.
§ 80.1240 How is a refinery's or importer's compliance with the gasoline benzene requirements of this subpart determined?

(a) A refinery's or importer's compliance with the annual average benzene standard at § 80.1230(a) is determined as follows:

(1)(i) The compliance benzene value for a refinery or importer is:

\[
CBV_y = V_y \times \left( \frac{B_{avg,y}}{100} \right) + D_{y-1} - BC - OC
\]

Where:

- CBV\(_y\) = Compliance benzene value (gallons benzene) for year y.
- \(V_y\) = Gasoline volume produced or imported in year y (gallons).
- \(B_{avg,y}\) = Average benzene concentration in year y (volume percent benzene), calculated in accordance with §80.1238.
- \(D_{y-1}\) = Benzene deficit from the previous reporting period, per §80.1230(c) (gallons benzene).
- BC = Banked benzene credits used to show compliance (gallons benzene).
- OC = Benzene credits obtained by the refinery or importer used to show compliance (gallons benzene).

(ii) Benzene credits used in the calculation specified in paragraph (a)(1)(i) of this section must be used in accordance with the requirements at §80.1295.

(b) Compliance with the maximum average benzene standard at §80.1230(b) is achieved by a refinery or importer if the value of \(B_{avg}\) calculated in accordance with §80.1238(a) is no greater than 1.30 volume percent for an applicable averaging period per §80.1230(b)(3).

§ 80.1270 Who may generate benzene credits under the ABT program?

(a) Early benzene credits. Early benzene credits are credits generated prior to 2011, or prior to 2015 if generated by a small refiner approved under §80.1340.

(1)(i) Early credits may be generated under §80.1275 by a refiner for any refinery it owns that has an approved benzene baseline under §80.1285, including a refinery of a foreign refiner that is subject to the provisions of §80.1363.

(ii) Early credits may be generated under §80.1275 by a refiner for any refinery it owns that has an approved benzene baseline under §80.1285, including a refinery of a foreign refiner that is subject to the provisions of §80.1363.

(b) Compliance with the maximum average benzene standard at §80.1230(b) is achieved by a refinery or importer if the value of \(B_{avg}\) calculated in accordance with §80.1238(a) is no greater than 1.30 volume percent for an applicable averaging period per §80.1230(b)(3).

AVERAGING, BANKING AND TRADING (ABT) PROGRAM

§ 80.1270 Who may generate benzene credits under the ABT program?

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(1)(i) Early credits may be generated under §80.1275 by a refiner for any refinery it owns that has an approved benzene baseline under §80.1285, including a refinery of a foreign refiner that is subject to the provisions of §80.1363.

(ii) The refinery specified in paragraph (a)(1)(i) of this section must process crude oil and/or intermediate feedstocks through refinery processing units.

(iii) Early benzene credits shall be calculated separately for each refinery of a refiner.

(iv) A refinery that is approved for early compliance under §80.1340 may...