(f) of this section is calculated as follows:

\[ D_y = CSV_y - (V_y \times 10^y) \]

Where:

- \( D_y \) = Sulfur deficit created in compliance period \( y \), in ppm-gallons.

§ 80.1604 Gasoline sulfur standards and requirements for parties downstream of refiners and importers.

(a) The sulfur standard for gasoline at any downstream location shall be determined in accordance with the provisions of this section. A downstream location is any point in the gasoline distribution system downstream from refineries and import facilities, including, but not limited to, facilities of any of the following parties:

1. Distributors.
2. Carriers.
3. Oxygenate blenders.
4. Retailers.
5. Wholesale purchaser-consumers.

(b) Except as otherwise provided in this subpart O, the sulfur content of gasoline at any downstream location shall not exceed 95 ppm, on a per-gallon basis, beginning January 1, 2017.

§ 80.1605 Deficit carryforward for refiners and importers.

(a) Deficit carryforward. A refiner or importer may exceed the annual average sulfur standard for a given calendar year, creating a compliance deficit, provided that, in the calendar year following the year the standard is not met, the refinery or importer—

1. Achieves compliance with the annual average sulfur standard in § 80.1603(a)(1); and
2. Uses additional sulfur credits sufficient to offset the compliance deficit of the previous year.

(b) The compliance deficit value shall be calculated in accordance with § 80.1603(f)(3).

§ 80.1606 [Reserved]

§ 80.1607 Gasoline sulfur standards and requirements for transmix processors and transmix blenders.

Transmix processors and transmix blenders may comply with the following sampling and testing requirements and standards instead of the sampling and testing requirements and standards otherwise applicable to a refiner under this subpart O.

(a) Any transmix processor who recovers transmix gasoline product (TGP) from transmix through transmix processing under § 80.84(c) must show through sampling and testing (using the methods in § 80.1630) that the TGP meets the applicable sulfur standards under § 80.1604(b), prior to the TGP leaving the transmix processing facility.

(b) The sampling and testing required under paragraph (a) of this section shall be conducted following each occasion TGP is produced.

(c) Any transmix processor who produces gasoline by adding blendstock to TGP, for such blendstock, comply with all requirements and standards that apply to a refiner under this subpart O, and must meet the downstream sulfur standards under § 80.1604 for the gasoline produced by blending blendstock and TGP, prior to the gasoline leaving the transmix processing facility.

(d) Any transmix processor who produces gasoline by blending blendstock into TGP must meet the sampling and testing requirements of this subpart O using one of the following methods:

1. Option 1. (i) Sample and test the blendstock that will be added to TGP during the compliance year when received at the transmix processing facility, using the methods specified in § 80.1630, to determine the volume and sulfur content, and treat each volume of blendstock that is blended into a volume of TGP as a separate batch for purposes of calculating and reporting compliance with the applicable annual average and per-gallon cap sulfur standards in § 80.1603.
   
   (ii) Use sulfur test results of the blendstock supplier provided that all the following requirements are met:
   
   (A) Sampling and testing by the blendstock supplier is performed using the methods specified in § 80.1630.
   
   (B) Testing for the sulfur content of the blendstock in the supplier’s storage tank must be conducted following the last receipt of blendstock into the supplier’s storage tank that supplies the transmix processor.
   
   (C) The transmix processor must obtain a copy of the blendstock supplier’s