

(B) Obtain the laboratory analysis for each selected batch.

(C) Determine whether the importer analyzed the test sample for each selected batch, and report as a finding any batch where the importer failed to perform the analysis using the methods specified in subpart N of this part.

(D) Obtain and review any terminal test results corresponding to the time of collecting the quality assurance test samples.

(E) Compare the terminal test results to the test results from the quality assurance program. Report as a finding any test result with a difference that is greater than the reproducibility of the applicable method specified in subpart N of this part.

[85 FR 78469, Dec. 4, 2020, as amended at 90 FR 4368, Jan. 15, 2025]

**§ 1090.1820 Additional procedures for GTAB.**

In addition to any other procedure required under this subpart, an auditor must perform the procedures specified in this section for a gasoline manufacturer that imports GTAB under § 1090.1615.

(a) *Listing of GTAB imports.* An auditor must review a listing of GTAB imports as follows:

(1) Obtain a detailed listing of GTAB imports from the importer.

(2) Foot the import volumes from the importer.

(3) Obtain a detailed listing of GTAB imports directly from the third-party customs broker.

(4) Foot the import volumes from the third-party customs broker.

(5) Compare the total volume from the listing of imports supplied by the importer to the listing of imports supplied by the third-party customs broker and report any variances.

(6) Report the total imported volume of GTAB and the corresponding facilities at which the GTAB was blended.

(b) *Listing of GTAB batches.* An auditor must review a listing of GTAB batches as follows:

(1) Obtain the GTAB batch reports submitted by the importer under subpart J of this part.

(2) Foot the batch volumes.

(3) Compare the total volume from the batch reports to the listing of im-

ports supplied by the importer under paragraph (a) of this section and report any variances.

(c) *Detailed testing of GTAB imports.* An auditor must review a detailed listing of GTAB imports as follows:

(1) Select a representative sample of GTAB imports from the listing of imports supplied by the importer under paragraph (a) of this section.

(2) Obtain the associated U.S. Customs Entry Summary for each selected import.

(3) Using a unique identifier, confirm that the correct U.S. Customs Entry Summaries are obtained for the selected imports.

(4) Compare the volume and location the import arrived in the United States on the listing for each selected import to the associated U.S. Customs Entry Summary and report any exceptions.

(d) *Detailed testing of GTAB batches.* An auditor must review a detailed listing of GTAB batches as follows:

(1) Select a representative sample of GTAB batches from the batch reports obtained under paragraph (b) of this section.

(2) Obtain the volume inspection report for each selected batch.

(3) Compare the reported volume for each selected batch to the volume inspection report and report any exceptions.

(e) *GTAB tracing.* An auditor must trace and review the movement of GTAB from importation to gasoline production as follows:

(1) Compare the total volume from the batch reports obtained under paragraph (b) of this section to the inventory reconciliation analysis obtained under § 1090.1810(b).

(2)(i) Obtain tank activity records that describe the movement of each selected batch under paragraph (d) of this section from importation to gasoline production.

(ii) Identify each selected batch in the tank activity records and trace each selected batch to subsequent reported batches of BOB or finished gasoline and report any exceptions.

(iii) Match the location of the facility where gasoline was produced from each selected batch to the location where each selected batch arrived in

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the United States, or to the facility directly receiving the selected batch from the import facility.

(iv) Determine the status of the tank(s) before receiving each selected batch (*e.g.*, empty tank, tank containing blendstock, tank containing GTAB, tank containing PCG).

(v) If the tank(s) contained PCG before receiving the selected batch, take the following additional steps:

(A) Obtain and review a copy of the documented tank mixing procedures.

(B) Determine the volume and properties of the tank bottom that was PCG before adding GTAB.

(C) Confirm that the gasoline manufacturer determined the volume and properties of the BOB or finished gasoline produced using GTAB by excluding the volume and properties of any PCG, and that the gasoline manufacturer separately reported the PCG volume and properties under subpart J of this part and report any discrepancies.

[85 FR 78469, Dec. 4, 2020, as amended at 90 FR 4370, Jan. 15, 2025]

**§ 1090.1825 Additional procedures for PCG used to produce gasoline.**

In addition to any other procedure required under this subpart, an auditor must perform the procedures specified in this section for a gasoline manufacturer that produces gasoline from PCG under § 1090.1320.

(a) *Listing of PCG batches.* An auditor must review a listing of PCG batches as follows:

(1) Obtain the PCG batch reports submitted by the gasoline manufacturer under subpart J of this part.

(2) Foot the batch volumes.

(3) Compare the total volume from the batch reports to the inventory reconciliation analysis obtained under § 1090.1810(b) and report any variances.

(b) *Detailed testing of PCG batches.* An auditor must review a detailed listing of PCG batches as follows:

(1) Select a representative sample of PCG batches from the batch reports obtained under paragraph (a) of this section.

(2) Obtain the volume documentation, laboratory analysis, associated PTD, and tank activity records for each selected batch.

(3) Identify each selected batch in the tank activity records and trace each selected batch to subsequent reported batches of BOB or finished gasoline and report any exceptions.

(4) For each selected batch, report as a finding any instance where the reported volume was adjusted from the original receipt volume, such as for exported PCG.

(5) Compare the reported volume for each selected batch to the volume documentation and report any exceptions.

(6) Compare the reported gasoline type for each selected batch to the associated PTD and report any exceptions.

(7) Compare the reported properties for each selected batch to the laboratory analysis and report any exceptions.

(8) Compare the reported test methods used for each selected batch to the laboratory analysis and report any exceptions.

[85 FR 78469, Dec. 4, 2020, as amended at 90 FR 4370, Jan. 15, 2025]

**§ 1090.1830 Alternative procedures for certified butane blenders.**

An auditor must perform the procedures specified in this section instead of or in addition to the applicable procedures in § 1090.1810 for a certified butane blender that blends certified butane into PCG under § 1090.1320(b).

(a) *Registration and reports.* An auditor must review registration and reports as follows:

(1) Obtain copies of the certified butane blender's registration information submitted under subpart I of this part and all reports submitted by the certified butane blender under subpart J of this part, including the batch reports for the certified butane received and blended.

(2) For each butane blending facility, confirm that the facility's registration is accurate based on the activities reported during the compliance period, including that the registration for the facility and any related updates were completed prior to conducting regulated activities at the facility and report any discrepancies.

(3) Confirm that the certified butane blender submitted all reports required

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under subpart J of this part for activities they performed during the compliance period and report any exceptions.

(4) Obtain a written statement from the certified butane blender's RCO that the submitted reports are complete and accurate.

(5) Report the name of any commercial computer program used to track any data required under this part.

(b) *Inventory reconciliation analysis.* An auditor must review an inventory reconciliation analysis as follows:

(1) Obtain an inventory reconciliation analysis from the certified butane blender for each butane blending facility related to all certified butane movements, including the inventory at the beginning and end of the compliance period, receipts, blending/production volumes, shipments, transfers, and gain/loss.

(2) Foot and cross-foot the volumes.

(3) Compare the beginning and ending inventory to the certified butane blender's inventory records and report any variances.

(4) Compare the total volume of certified butane received from the inventory reconciliation analysis to the batch reports obtained under paragraph (a) of this section and report any variances.

(5) Compare the total volume of certified butane blended from the inventory reconciliation analysis to the batch reports obtained under paragraph (a) of this section and report any variances.

(6) Report the total volume of certified butane received and blended.

(c) *Listing of certified butane receipts.* An auditor must review a listing of certified butane receipts as follows:

(1) Obtain a detailed listing of certified butane receipts for certified butane received at each butane blending facility from the certified butane blender.

(2) Foot the receipt volumes.

(3) Compare the total volume from the receipts to the batch reports obtained under paragraph (a) of this section and report any variances.

(d) *Detailed testing of certified butane batches.* An auditor must review a detailed listing of certified butane batches as follows:

(1) Select a representative sample of certified butane batches from the batch reports obtained under paragraph (a) of this section.

(2) Obtain the volume documentation and laboratory analysis for each selected batch.

(3) Compare the reported volume for each selected batch to the volume documentation and report any exceptions.

(4) Compare the reported properties for each selected batch to the laboratory analysis and report any exceptions.

(5) Compare the reported test methods used for each selected batch to the laboratory analysis and report any exceptions.

(6) Report as a finding any batch with a reported value that does not meet a standard for certified butane in subpart C of this part.

(e) *Quality assurance program review.* An auditor must review a certified butane blender's quality assurance program as follows:

(1) Obtain a detailed listing of the certified butane blender's quality assurance program sampling and testing results.

(2) Determine whether the frequency of sampling and testing meets the requirements in §1090.1320(b)(4) and report any discrepancies.

[85 FR 78469, Dec. 4, 2020, as amended at 88 FR 44593, July 12, 2023; 90 FR 4370, Jan. 15, 2025]

### § 1090.1835 Alternative procedures for certified pentane blenders.

(a) An auditor must perform the procedures specified in this section instead of or in addition to the applicable procedures in §1090.1810 for a certified pentane blender that blends certified pentane into PCG under §1090.1320(b).

(b) An auditor must apply the procedures in §1090.1830 by substituting "pentane" for "butane" in all cases.

[85 FR 78469, Dec. 4, 2020, as amended at 90 FR 4371, Jan. 15, 2025]

### § 1090.1840 Additional procedures related to compliance with gasoline average standards.

In addition to any other procedure required under this subpart, an auditor must perform the procedures specified

in this section for a gasoline manufacturer that complies with the standards in subpart C of this part using the procedures specified in subpart H of this part.

(a) *Annual compliance demonstration review.* An auditor must review annual compliance demonstrations as follows:

(1) Obtain the annual compliance reports for sulfur and benzene and associated batch reports submitted by the gasoline manufacturer under subpart J of this part.

(2)(i) For a gasoline refiner or gasoline blending manufacturer, compare the total volume of gasoline produced at each facility from the annual compliance report to the inventory reconciliation analysis obtained under § 1090.1810(b) and report any variances.

(ii) For a gasoline importer, compare the total volume of gasoline imported from the annual compliance report to the listing of imports supplied by the importer under § 1090.1815(b) and report any variances.

(3) For each facility, recalculate and report the following values:

(i) Compliance sulfur value, per § 1090.700(a)(1), and compliance benzene value, per § 1090.700(b)(1)(i).

(ii) Unadjusted average sulfur concentration, per § 1090.745(b), and average benzene concentration, per § 1090.700(b)(3).

(iii) Number of credits generated during the compliance period, or number of banked or traded credits needed to meet standards for the compliance period.

(iv) Number of credits from the preceding compliance period that are expired or otherwise no longer available for the compliance period being reviewed.

(v) Net average sulfur concentration, per § 1090.745(c), and net average benzene concentration, per § 1090.745(d).

(4) Compare the recalculated values under paragraph (a)(3) of this section to the reported values in the annual compliance reports and report any exceptions.

(5) Report whether the gasoline manufacturer had a deficit for both the compliance period being reviewed and the preceding compliance period.

(b) *Credit transaction review.* An auditor must review credit transactions as follows:

(1) Obtain the credit transaction reports submitted by the gasoline manufacturer under subpart J of this part and contracts or other information that documents all credit transfers. Also obtain records that support intracompany transfers.

(2) For each reported transaction, compare the supporting documentation with the credit transaction reports for the following elements and report any exceptions:

(i) Compliance period of creation.

(ii) Credit type (*i.e.*, sulfur or benzene) and number of times traded.

(iii) Quantity.

(iv) The name of the other company participating in the credit transfer.

(v) Transaction type.

(c) *Facility-level credit reconciliation.* Except as specified in paragraph (c)(4) of this section, an auditor must perform a facility-level credit reconciliation separately for each gasoline manufacturing facility as follows:

(1) Obtain the credits remaining or the credit deficit from the previous compliance period from the credit transaction reports obtained under paragraph (b) of this section.

(2) Calculate and report as a finding the net credits remaining at the end of the compliance period.

(3) Compare the ending balance of credits or credit deficit recalculated under paragraph (c)(2) of this section to the corresponding value from the annual compliance report obtained under paragraph (a) of this section and report any variances.

(4) For an importer, the procedures of this paragraph (c) apply at the company level.

(d) *Company-level credit reconciliation.* An auditor must perform a company-level credit reconciliation as follows:

(1) Obtain a credit reconciliation listing company-wide credits aggregated by facility for the compliance period.

(2) Foot and cross-foot the credit quantities.

(3) Compare and report the beginning balance of credits, the ending balance of credits, the associated credit activity at the company level in accordance with the credit reconciliation listing,