California Environmental Protection Agency

Air Resources Board • Department of Pesticide Regulation • Department of Toxic Substances Control
Integrated Waste Management Board • Office of Environmental Health Hazard Assessment
State Water Resources Control Board • Regional Water Quality Control Boards

Winston H. Hickox
Agency Secretary

Gray Davis
Governor

February 24, 2000

Mr. Bob Perciasepe
Assistant Administrator for Air and Radiation
United States Environmental Protection Agency
Ariel Rios Building
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

Dear Mr. Perciasepe:

Thank you for your letter of February 14, 2000 acknowledging that California's application for a waiver of the federal Clean Air Act requirements that all gasoline sold in the Sacramento region and most of Southern California contain a minimum oxygen content is complete. I am, however, somewhat disappointed that the U.S. Environmental Protection Agency (U.S.EPA) believes it cannot complete the assessment of California's request before early summer. I am also hopeful that in working closely with us, U.S.EPA can accelerate that timetable.

As you know, in March 1999, Governor Davis signed an Executive Order to remove the fuel additive methyl tertiary butyl ether (MTBE) from California's gasoline supply because it poses an unacceptable risk to California's water resources. New gasoline regulations will end MTBE use in California no later than December 31, 2002 while preserving the significant air quality benefits we enjoy from our cleaner burning gasoline.

With the flexibility provided by a waiver, California refiners will have a choice of producing reformulated gasoline using ethanol or fuel without any oxygen at all. Refiners will be able to use the most economical mixture of gasoline blends and enable Californians to save hundreds of millions of dollars in fuel costs without sacrificing air quality.

To protect California's consumers, Governor Davis first wrote to Administrator Browner to request the waiver on April 12, 1999. A prompt response to our request to waive the federal oxygen content requirement is a very high priority for California. Refiners must decide now how to comply with the MTBE phase-out and will begin make investments in refinery modifications soon. They need to know whether they have the option to produce non-oxygenated gasoline.

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The California Environmental Protection Agency and its Air Resources Board will continue to make available whatever resources are necessary to ensure quick processing of our request. I look forward to continuing to work with you on this important issue.

If you have any questions or concerns, please do not hesitate to contact me at 916/323-2514.

Sincerely,

Winston H. Hickox

Winston H. Hickox
Agency Secretary