December 4, 2013

Senator James A. Boyle, Senate Chair  
Representative Joan W. Welsh, House Chair  
Joint Standing Committee on Environment and Natural Resources  
100 State House Station  
Augusta, Maine 04333-0100

Re: MAINE GASOLINE REQUIREMENTS

Dear Senator Boyle, Representative Welsh, and members of the Committee:

The Maine Department of Environmental Protection (Department) wishes to submit this report as required in P.L. 2013, ch. 221, effective June 11, 2013. During the 1st session of the 126th Maine Legislature, L.D. 1359 “An Act to Update and Simplify Maine Gasoline Requirements” was enacted, which requires retailers who sell gasoline in York, Cumberland, Sagadahoc, Androscoggin, Kennebec, Knox, or Lincoln County to sell only federal reformulated gasoline referred to as RFG, commencing May 1, 2014. The use of RFG in the seven southern counties mentioned above, will allow Maine to discontinue the use of a “boutique” 7.8 Reid Vapor Pressure (RVP) fuel during the summer months which has been required since the State opted-out of the RFG program.

The new law also requires the Department to “study the feasibility of easing the multiple gasoline requirements in the State and achieving the use of a single type of gasoline for all of Maine.” Currently, gasoline retailers in the remaining nine counties sell conventional fuel. The Report is due to the Environment and Natural Resources Committee (Committee) in December 2013, even though the RFG gasoline requirement for the seven counties does not take effect until May 1, 2014. Because the Department believes additional data collection is necessary prior to any recommendations regarding a single gasoline for the state, we respectfully request that the Department undertake this analysis during 2014 to determine the actual experience with RFG...
following its commencement in May 2014 and report to the Committee during January 2015 with any proposed recommendations.

**DATA NEEDS**

The Department will consult with the Governor’s Office of Energy and the US Department of Energy, Energy Information Administration to determine the availability of RFG, and whether having Maine’s remaining nine counties opt-in to the RFG program will have detrimental impacts to the wholesale market or to the retail customer.

The Department will also continue to monitor and update the status of RFG within New England to again report on any challenges and benefits provided by further implementation within the State. Currently, the status of RFG within New England is shown in Figure 1 below.

**Figure 1. Status of RFG Implementation in New England**
The Department will also undertake the analysis of the reduction of Volatile Organic Compounds (VOCs), Nitrogen Oxides (NOx), and air toxic emissions (e.g. benzene, 1,3 butadiene, formaldehyde, acetaldehydes, and diesel particulate matter); these results can be provided in a report to the Committee in 2015, which the Department believes will be especially helpful in determining whether further implementation in Maine’s remaining counties should be recommended. During 2014, the Department will undertake modeling to estimate the mobile source emissions focusing on VOC and Nox emission estimates from RFG, versus using a conventional gasoline. Additionally, the Department will be able to provide monitoring information related to Hazardous Air Pollutants (HAPs), because this fall, the Department expanded its existing ambient HAPs monitoring program to include an additional site, increase sampling frequency, and analyze additional compounds. Compounds identified as likely/known emissions from mobile sources and associated fuels will be measured and tracked. These monitoring changes are intended to capture ambient air quality changes, if any, to the pollutant composition associated with the RFG in southern Maine, and that of conventional fuel in the rest of the state. The Department anticipates this expanded monitoring will also allow for greater data assessment related to air quality after RFG is introduced in the southern part of the state commencing May 1, 2014. With that, the Department will be able to have a greater understanding of the effects on air quality, if any, from mobile sources and related fuels, and determine if there would be a greater environmental net benefit by implementing RFG statewide.

In closing, the feasibility of opting to use RFG on a statewide basis presents factors that need further evaluation, such as the data collected and evaluated from the year-round HAPs monitoring, and any additional distribution, availability, and economic information that may arise. Once this is evaluated, the Department will assess and provide recommendations regarding the feasibility of achieving a single type of gasoline (RFG) for all of the State.

Sincerely,

Marc A. R. Cone P.E., Director
Bureau of Air Quality