Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Technology, Energy & Communications Committee

HB 2007

Brief Description: Defining allowable fuel blends.

Sponsors: Representatives Eddy and Crouse.

Brief Summary of Bill

- Establishes restrictions on the sale of gasoline blended with certain oxygenates.
- Lowers the allowable limit on the mixing of methyl tertiarty-butyl ether (MTBE) in gasoline from 0.6 percent by volume to 0.15 percent by volume.

Hearing Date: 2/13/07

Staff: Kara Durbin (786-7133).

Background:

Federal Law

The Clean Air Act is a federal law enacted in 1970 to create a nationwide framework for controlling air pollution. In 1990, Congress added significant amendments to the Clean Air Act aimed at improving air quality in metropolitan areas that currently violate health-based standards. The 1990 amendments set acceptable standard levels for various air pollutants, called National Ambient Air Quality Standards. Pollutants with established national standards include ozone, carbon monoxide (CO), and toxins. If the presence of a pollutant exceeds the acceptable level in a metropolitan area, the United States Environmental Protection Agency (EPA) designates that area a nonattainment area. Nonattainment areas are subject to federal, state, and local regulations aimed at reducing the amount of the pollutant in the air.

The Clean Air Act Amendments require the use of Reformulated Gasoline (RFG) in CO nonattainment areas. The Energy Policy Act of 2005 (Act) made several alterations to the RFG program, including removal of the 2 percent oxygenate mandate for RFG. Prior to the Act, RFG consisted of oxygenated gasoline (of at least 2 percent oxygen by weight) that was specially

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blended to have fewer polluting compounds than conventional gasoline. Higher oxygen contents in gasoline can be achieved by the addition of oxygenates such as ethanol or methyl tertiary-butyl ether (MTBE).

In response to the Act's enactment in August of 2005, the EPA promulgated a direct final rule to amend the RFG regulations in order to eliminate regulatory standards requiring the use of oxygenates in RFG.

Methyl tertiary-butyl ether (MTBE)

Methyl tertiary-butyl ether (MTBE) is a chemical compound used primarily as a gasoline additive. It is one of a group of chemicals commonly known as "oxygenates" because they raise the oxygen content of gasoline. At room temperature, MTBE is a volatile, flammable and colorless liquid that dissolves rather easily in water.

State Law

In 2002, the Legislature passed a law regulating the use of MTBE in gasoline. The law has two parts: (1) it bans the intentional addition of MTBE to gasoline, motor fuel, or clean fuel for use in Washington; and (2) it bans the knowing mixing of MTBE in gasoline above 0.6 percent by volume.

Washington law does not regulate the use of other oxygenates in gasoline.

Summary of Bill:

A motor fuel dealer or retailer is prohibited from selling gasoline blended with any of the following oxygenates: (1) ethanol, unless it meets the specification established by the Environmental Protection Agency (EPA); (2) methyl tertiary-butyl ether (MTBE) in concentrations over 0.15 percent by volume; or (3) a total of all of the following oxygenates that exceeds 0.1 percent by weight:

- diisopropylether;
- ethyl tert-butylether;
- iso-butanol;
- iso-propanol;
- n-butanol;
- n-propanol;
- sec-butanol;
- tert-amyl methyl ether;
- tert-butanol;
- tert-pentanol or tert-amyl alcohol; and
- any other additive that has not been approved by the California Air Resources Board (CARB) or the EPA as of the effective date of this act, or such subsequent date as may be provided by CARB or the EPA by rule, consistent with the purposes of this section.

These limitations do not prohibit transshipment through the state of gasoline that contains MTBE in concentrations that exceed 0.5 percent by volume or any of the oxygenates listed above, provided that the gasoline is used or disposed outside the state, and the gasoline is segregated from gasoline for use in this state.

The allowable limit of MTBE in the mixing of gasoline is changed from 0.6 percent by volume to 0.15 percent by volume.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

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