

INTERNAL DRAFT-ATTACHMENT 1 CONTAINS CONFIDENTIAL DATA

Briefing Paper on Phase 2 Reformulated Gasoline  
Status as of August 8, 1991

- o Second workshop scheduled for August 14. First workshop held June 11.
- o At first workshop, industry indicated they wanted proposals in draft regulatory language to facilitate discussions.
- o Second workshop notice contained draft regulatory language with limits for individual fuel parameters identified. Limits selected for the draft regulatory language designed to be conservative for several reasons:
  1. Easier to relax draft standards than to tighten standards later.
  2. All data are not yet available. Draft standards were selected to encourage industry to make all data available as soon as possible to allow revisions to be made based on as much data as possible.
  3. We have received conflicting recommendations on which parameters should be regulated, so all parameters were included where appropriate to encourage discussion that could lead to elimination of some parameters from the regulation. For example, we included three different parameters relating to distillation and expect to eliminate one or two of them based on a review of the data and further discussion with industry.
- o We expect to modify our proposals to reflect:
  1. Forthcoming technical data.
  2. Cost-effectiveness analysis; the cost has not yet been considered as we are currently completing and calibrating our linear refinery programming model.
  3. Impact on large and small refiners and consumers.
- o Our preliminary evaluation indicates that draft standards, if implemented would achieve the following estimated reductions from the use of motor vehicle fuels:

<u>Pollutant</u>	<u>Estimated Reductions</u>
Nonmethane hydrocarbons	20% - 40%
Oxides of nitrogen	5% - 30%
Carbon monoxide	15% - 40%
Benzene	25% - 60%
Ozone-forming potential	To be determined

- o Costs are expected to fall in the range of 10 - 20 cents per gallon.
- o Attachment 1 presents a summary and comparison of EPA, ARB, and ARCO reformulated gasoline.

In the Matter of Union Oil  
Company of California  
Docket No. 9305

**RX 268**

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