



September 7, 2005

Hon. Stephen L. Johnson
Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Washington, DC 20460

Re: Emergency Fuel Waiver for Diesel Fuel and Gasoline

Dear Administrator Johnson:

I am writing to express the Natural Resources Defense Council's views on the emergency fuel waiver that you issued on August 31, 2005.

NRDC understands and appreciates the huge task before EPA and the nation as it responds to the needs of the many communities affected by Hurricane Katrina and its aftermath. In months to come, providing safe drinking water to these communities, mitigating the impact of the many toxic releases into their waterways, and rebuilding their communities will take the full attention of all of us. Likewise, ensuring an adequate supply of fuel will be as critical to these communities as it will be to the rest of the country. In that context, NRDC views EPA's emergency fuel waiver, until September 15, 2005, as a reasonable response to the fuel supply and price issues that have arisen since last week.

However, we strongly urge you to take steps to ensure that this emergency fuel waiver is not extended unnecessarily beyond September 15, 2005. Extending the diesel sulfur waiver would risk damage to the growing number of new engines that will be certified to the 2007 heavy-duty engine emission standards that we expect to see in the marketplace in coming months, which require ultra-low sulfur diesel fuel to operate cleanly and properly. Moreover, the emission control systems of many diesel engines currently on the road may be damaged by extended contact with high-sulfur diesel fuels. These include 2004-certified diesel engines that are equipped with certain exhaust gas recirculation (EGR) systems and other vehicles equipped with flow-through filters. Last, any further waiver of the gasoline RVP specification would increase ground-level ozone levels in the many parts of the country that continue to have hot weather in late summer and early fall—including the communities hardest hit by Hurricane Katrina, inadvertently adding to their suffering.

We also strongly urge you to reassure the public that EPA's ultra-low sulfur diesel (ULSD) requirements will be implemented on a full and timely basis next year. As you know, converting the nation's highway diesel fuel supply to ultra-low sulfur levels is the necessary first step towards achieving the health benefits of EPA's highway and nonroad diesel rules, which will eliminate more than 20,000 premature deaths and provide net benefits of more than

\$140 billion/year when they are fully implemented. These benefits should not be delayed—EPA's own precompliance reports have shown conclusively that almost all of the nation's highway diesel fuel is scheduled to be ultra-low sulfur by next summer. Moreover, companies in the diesel engine and emission control industries have invested billions of dollars in new technologies for their model year 2007 products, relying on a national supply of ULSD. Based on our review of the current situation, we see no reason for EPA to back away from its ULSD commitment.

In closing, our hearts go out to the people of Louisiana and Mississippi who are living with the unprecedented damage and devastation of Hurricane Katrina. We are especially concerned about the many low-income communities and communities of color that have been devastated by Katrina and its aftermath.

We pledge to do everything that we can to help ensure that the people of Louisiana and Mississippi have access to safe drinking water, waterways that are free from toxic contamination, and a safe and affordable energy supply as quickly as possible. If there is any way that we can help EPA achieve these shared goals, please do not hesitate to call upon us.

Sincerely,



Richard Kassel
Senior Attorney
Director, Clean Fuels and Vehicles Project

cc: Secretary Samuel W. Bodman, Department of Energy
Margo T. Oge, EPA OTAQ