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**From:** Kenneth Nemeth [Nemeth@sseb.org]  
**Sent:** 2/20/2018 2:30:04 PM  
**To:** Wagner, Kenneth [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=048236ab99bc4d5ea16c139b1b67719c-Wagner, Ken]  
**CC:** Cagnolatti, David A. [David.A.Cagnolatti@p66.com]; Fred Palmer [fred.palmer@shell.com]; Jeff.copeskey@exxonmobil.com; fafr@chevron.com; ledmondson@marathonpetroleum.com; Tom Parker [Parkert@api.org]; Kimberly Sams-Gray [Gray@sseb.org]; Nasi, Michael J. [mnasi@jw.com]; Glenn, Trey [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=c1f10fec3149420597e6581c2586e25e-Glenn, Onis]; Jenkins, Brandi [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=9b3ea7aacd1a44c0ab3ee9a8f0a2ea3f-Jenkins, Brandi]  
**Subject:** RE: Regional Emergency Motor Fuel Waiver

**Importance:** High

Hi Ken,

I am contacting you about the **Regional Emergency Motor Fuel Waiver** discussion that we are having at the Southern States Energy Board's Associate Members Midwinter Meeting in Washington at the American Petroleum Institute on February 26. I asked for your participation and you indicated that you have an EPA Oil and Gas Roundtable to attend. I asked if you please could send someone from EPA to speak with us about the potential for a regional motor fuel waiver and you said that you would check (see below). At this time I have not heard from you and the meeting is next Monday. Can you please let me know something?

Last week I saw Trey Glenn and Brandi Jenkins from Region IV at an Alabama Energy Day event and we discussed the SSEB meeting. Perhaps they can attend or send a Region IV representative. They are copied here.

We are so close to my meeting. I would really appreciate your help in closing the loop on this. We have many oil companies who are interested in this because it will save lives, businesses, industries, vehicles, property, livestock and agricultural necessities. Thanks and please let me know something? Ken

Kenneth J. Nemeth  
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**From:** Wagner, Kenneth [mailto:wagner.kenneth@epa.gov]  
**Sent:** Friday, February 02, 2018 11:16 AM  
**To:** Kenneth Nemeth  
**Cc:** Cagnolatti, David A.; Fred Palmer; Jeff.copeskey@exxonmobil.com; fafr@chevron.com; ledmondson@marathonpetroleum.com; Tom Parker; Kimberly Sams-Gray; Nasi, Michael J.  
**Subject:** Re: Regional Emergency Motor Fuel Waiver

Ken, I am checking

**Kenneth E. Wagner**  
*Senior Advisor to the Administrator*

*For Regional and State Affairs*  
**U S Environmental Protection Agency**  
**202-564-1988 office**  
Ex. 6 cell  
[wagner.kenneth@epa.gov](mailto:wagner.kenneth@epa.gov)

On Feb 2, 2018, at 11:06 AM, Kenneth Nemeth <[Nemeth@sseb.org](mailto:Nemeth@sseb.org)> wrote:

Hi Ken,

This meeting of the Southern States Energy Board Associate Members is extremely important because we are planning to adopt a codicil to our Interstate Compact that provides for a Regional Emergency Motor Fuel Waiver in the event of hurricanes or natural disasters that contribute to catastrophic events in our Southern states. Last year our state and territory members were severely impacted by the wrath of Harvey, Irma and Maria. As you are aware, Puerto Rico still has not even recovered from the loss of its electricity distribution and transmission systems. Harvey made a disaster area out of Houston with loss of lives, flooding that devastated homes and businesses, and thousands of cars totaled in the flood. We desperately want to move this forward before the impending hurricane season. If you cannot attend, can you Please send us an EPA staff person who is familiar with the waiver process and can speak with us about working with EPA on this Regional Waiver? We will miss you at this meeting, but our member companies in interest (Phillips 66, ExxonMobil, Shell, Chevron, Marathon, etc) deserve to have an EPA representative talk to us about how to proceed. Can you send an EPA staff member to represent you? Ken

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**From:** Wagner, Kenneth [<mailto:wagner.kenneth@epa.gov>]  
**Sent:** Friday, February 02, 2018 10:03 AM  
**To:** Kenneth Nemeth  
**Cc:** Glenn, Trey; Kimberly Sams-Gray; Alice Perry; Williams, Eddie; Cagnolatti, David A.; Cheatham-Strickland, Latonia; Bonner, Brenda  
**Subject:** Re: Regional Emergency Motor Fuel Waiver

Ken: unfortunately, because of the govt shutdown, we were forced to reschedule the EPA Oil & Gas Round Table is now rescheduled for the 25-27 of February so I cannot participate.

Keep me in mind this summer

**Kenneth E. Wagner**  
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On Jan 25, 2018, at 4:42 PM, Kenneth Nemeth <[Nemeth@sseb.org](mailto:Nemeth@sseb.org)> wrote:

Hi Ken,

On behalf of our Chairman, Governor Phil Bryant of Mississippi, I am delighted to invite you to attend and provide a *KEYNOTE presentation* to the Winter Meeting of the Southern States Energy Board Associate Members Group. Our Associate Members comprise energy industries from the South and across and nation. The meeting will be held at the American Petroleum Institute, located at 1220 L Street, in Washington, D.C., on Monday, February 26, beginning at 9:00 a.m.

As discussed when I spoke with you at the Southern States Energy Board and Interstate Oil and Gas Compact Commission meetings last Fall, the energy industries that make up our Associate Members Group have requested that we discuss with EPA the potential for a Regional Emergency Motor Fuel Waiver in the event of hurricanes or natural disasters that contribute to catastrophic events in our Southern states. Too often, states delay a request to EPA for a motor fuel waiver (or EPA delays a response from a state) prior to an impending critical weather incident resulting in motor fuel supply shortages before major events when evacuations are taking place; during events when fuel is critical for first responders; and following major events when evacuees are returning to their cities and homes. This was especially evident during hurricanes Harvey, Irma and Maria in 2017.

A Regional Emergency Motor Fuel Waiver, sanctioned by EPA and SSEB member state governors through a codicil to the Southern States Energy Compact, will provide an early warning system for a looming or imminent threat invective requiring a single (regional) waiver, enable states to better and earlier prepare for the disaster, and mobilize energy industries to provide motor fuels earlier, prior to, during and after the danger has passed and mitigation and remediation have begun. EPA could establish a pre-determined emergency fuel standard that would include a relaxation of the RVP requirements and would suspend the requirement to blend ethanol. We would suggest an RVP of 11.5 (this is what is usually granted). It would also be helpful if EPA could allow implementation of the emergency fuel standard in advance of a hurricane's landfall, rather than the current practice to wait until a shortage exists before considering the waivers. When a major hurricane is going to make landfall, a major motor fuel supply disruption is very predictable. The authority to convert to the emergency fuel standard could be triggered by an evacuation order, rather than a state of emergency declared by a governor or the President. It is the evacuation order itself, and the panic buying that immediately follows, that creates the shortage.

As an initial measure, the Southern States Energy Board will adhere to the following eligibility requirements for requesting that EPA invoke a Regional Motor Fuel Waiver:

- 1) Upon determination of the trajectory of a major weather event or natural disaster by the National Weather Service or declaration of an evacuation order or state of emergency by the governor of a member state, SSEB immediately will contact the governor (or his designee) in states in the pathway of the impending disaster to determine if the state will OPT IN or OPT OUT of the Regional Emergency Motor Fuel Waiver protocol. If states OPT IN, SSEB immediately will contact the designated EPA official and apply for the Regional Emergency Motor Fuel Waiver.
- 2) EPA will take this action under advisement and grant or deny the Regional Emergency Motor Fuel Waiver. When granted by the EPA Administrator on the request, SSEB immediately will notify the states that the waiver has been granted and contact a

(annually updated) predetermined list of motor fuel providers to advise them that EPA has granted the Regional Waiver so that they can begin to put emergency motor fuels and stockpiles in place well in advance of the impending event.

3) The same protocol will apply in the event of a fuel supply interruption due to a breach of energy infrastructure in the region.

The hurricanes of 2017 resulted in billions of dollars of damage to homes, commercial businesses, manufacturing industries, agriculture and vehicles in the path of these events. Lives and livelihoods were seriously affected from Texas and other Gulf Coast states and from Florida to Virginia on the Atlantic seaboard. While injuries and harm always will occur during these events, we can mitigate the damage by an early emergency response to approaching and imminent threats that provides an early warning and enables our motor fuel industries to mobilize to provide fuels that enable an orderly transition and evacuation taking people out of harm's way.

Please plan to attend this very important meeting, to be held at the American Petroleum Institute in Washington, D.C. on Monday, February 26, and bring other EPA officials with you who can work with us in the development of a Regional Emergency Motor Fuel Waiver. I look forward to seeing you again. Best Always, Ken

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