



OFFICE OF THE MAYOR
LOUISVILLE, KENTUCKY

GREG FISCHER
MAYOR

April 28, 2022

Re: Resolution No. 052, Series 2022

Dear Members of the Metro Council,

I am signing and returning the above-referenced Resolution and including this letter to make you aware of the following:

The goal of this Resolution is to lower the price of gas for the people of Louisville and Jefferson County by stopping the requirement for using reformulated gas that is better for the environment, but costs slightly more to produce.

R-052-2022 is very similar to Kentucky House Concurrent Resolution 124, filed and adopted last month by the Kentucky General Assembly, which asks President Biden to issue an Executive Order removing federally mandated reformulated gas requirements for areas of the country that also include Jefferson County. Subsequently, on April 12th, President Biden announced that the EPA would be issuing a waiver to allow the sale of E15 gasoline beginning June 1. E15 gasoline is cheaper than E10 gasoline and can also be blended with reformulated gas; the gasoline currently used is E10.

Further, 2020 Kentucky House Joint Resolution 8 requires the Air Pollution Control District (APCD) to prepare a demonstration under the Clean Air Act that shows a plan to eliminate the use of reformulated gas once it attains the required standard for ground-level ozone; the APCD is hopeful the EPA will determine that standard has been met this summer. If the EPA accepts the demonstration put forth, the requirement to use reformulated gas will be lifted.

Reducing the cost of gasoline for our residents is an important goal and one to which I agree with. However, asking the EPA to waive the required use of reformulated gas will unnecessarily hinder the progress made in our city's air quality and set us back on our ultimate goal of having it lifted for Louisville Metro. In addition, the impending emergency waiver of the EPA will likely result in the decreased cost of gasoline. We understand the impact rising gas prices has on the country and our community, and I look forward to a change that will benefit those affected by this recent price influx, as well as protect our city's air quality.

Sincerely,

Greg Fischer
Mayor

Attachment

RESOLUTION NO. 054, SERIES 2022

A RESOLUTION CALLING ON THE GOVERNOR AND THE GENERAL ASSEMBLY TO REQUEST THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY TO ISSUE AN EMERGENCY FUEL WAIVER OF THE REFORMULATED GAS REQUIREMENTS DURING THE CURRENT BAN ON OIL IMPORTS FROM RUSSIA.

SPONSORED BY: COUNCIL MEMBER JAMES PEDEN

WHEREAS, Former Kentucky Gov. Brereton Jones in 1993 exercised his power under the federal Clean Air Act Amendments of 1990 to require that gasoline sold in Louisville Metro be Reformulated Gasoline (“RFG”), and as this program is strictly voluntary, the Current Governor of Kentucky may under federal Environmental Protection Agency (“EPA”) regulations “opt-out” or change the type of boutique fuel utilized to achieve Louisville’s clean air goals;

WHEREAS, the RFG decision is 29 years old and when first implemented, gave Louisville Metro an estimated 17 reduction in VOC emissions over regular gasoline, but the present benefit is approximately 2 percent;

WHEREAS, since implementation of this type of boutique gasoline there has been an increase in hybrid and electric cars, more computerized vehicles which alert vehicle operators to emissions equipment malfunctioning and gasoline is much cleaner as a result of the Energy Act of 2005;

WHEREAS, Louisville’s gas is up to approximately twenty-five cents (\$.25) per gallon more expensive than the surrounding communities where other fuel is sold, because of the limited and expensive boutique RFG fuel required to be used;

WHEREAS, since RFG is a boutique fuel it is more susceptible to supply chain issues which could further drive up the per gallon cost for the Louisville Metro community;

WHEREAS, Louisville Metro area drivers and motorists collectively pay for RFG, as it costs them an average of \$200,915 daily and \$73,000,000 annually;

WHEREAS, with the recent ban on oil imports from Russia, gas prices in Louisville Metro have already climbed to more than \$4.00 per gallon, and it is expected the prices will continue to increase;

WHEREAS, the EPA has and can issue emergency waivers of the RFG requirements; and

WHEREAS, the Legislative Council of the Louisville/Jefferson County Metro Government (the "Council") wishes to urge Governor Beshear and the General Assembly to request the EPA issue an emergency waiver to relieve some of the economic burden on Louisville Metro area drivers and motorists resulting from this sudden, unanticipated spike in gas prices, particularly when the environmental benefit of RFG has been decreasing over time.

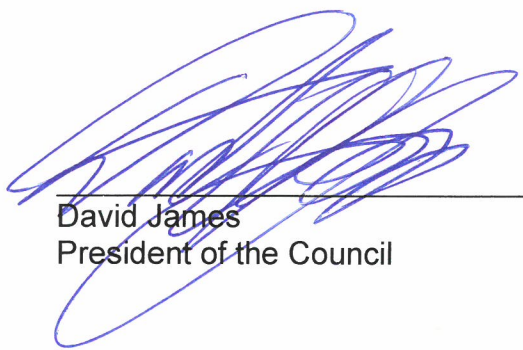
NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATIVE COUNCIL OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT AS FOLLOWS:

SECTION I: The Council urges Governor Beshear and the Kentucky General Assembly to request the EPA to issue an emergency waiver that shall waive the RFG requirements for Louisville Metro during the current spike in gas prices resulting from the ban on oil imports from Russia. The request should be for the waiver to last through at least the end of 2022, with the waiver to be re-evaluated at that time for further extension or longer termed adjustment to Louisville Metro's efforts to achieve its clean air goals.

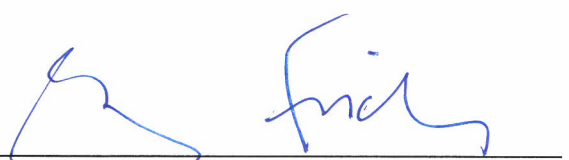
SECTION II: This Resolution shall take effect upon its passage and approval or otherwise becomes law.



Sonya Harward
Metro Council Clerk



David James
President of the Council



Greg Fischer
Mayor

4/28/2022

Approval Date

APPROVED AS TO FORM AND LEGALITY:

Michael J. O'Connell
Jefferson County Attorney

**LOUISVILLE METRO COUNCIL
ADOPTED
April 14, 2022**

By: M. Holliday Hopkins

R-052-22 Calling on the Governor and the General Assembly to Request the EPA to Issue an Emergency Waiver of the RFG requirements (lf).docx