

December 6, 2000

Mr. Bill Weatherspoon
Executive Director
North Carolina Petroleum Council
150 Fayetteville Street Mall Suite 2850
Raleigh, North Carolina 27601

Re: Low sulfur gasoline

Dear Bill:

Thank you for your letter of November 16, 2000 to Wayne McDevitt and me regarding North Carolina's low sulfur gasoline requirement.

Cars and trucks emit about half of the ozone-forming nitrogen oxide emissions in North Carolina. Cleaner fuels, cleaner cars and vehicle emissions tests are critical elements of Governor Hunt's plan to reduce ozone pollution and to protect public health.

Governor Jim Hunt has determined that the U.S. Environmental Protection Agency's low sulfur gasoline rule does not provide for equivalent reductions in sulfur content for gasoline sold in North Carolina as required by state law and that an executive order is unnecessary.

Attached is my letter of November 13, 2000 to Senator Odom and Representative Gibson outlining Governor Hunt's decision. I presented Governor Hunt's decision and this letter to the legislature's Environmental Review Commission on November 27, 2000.

The North Carolina low sulfur requirement will reduce emissions of ozone forming nitrogen oxides by 6537 tons in the 2004 and 2005 ozone seasons. North Carolina has included our stricter low sulfur gasoline requirement in our plan to comply with EPA's NOx SIP Call and has requested EPA approval for our low sulfur gasoline requirement pursuant to Section 211 of the Clean Air Act.

Georgia and Alabama are requiring low sulfur gasoline to reduce ozone in the Atlanta and Birmingham metropolitan areas before EPA's rules require it. North Carolina would like to work with other southern states to develop a regional low sulfur gasoline requirement.

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DENR continues to seek assurances from the petroleum industry that you would meet the 30-80 sulfur content standard in North Carolina in 2004. The industry has not committed to meeting or attempting to meet our standard in North Carolina in 2004 or to implementing other measures to reduce air pollution in North Carolina. DENR remains open to working with the petroleum industry to reduce air pollution.

DENR also strongly supports national and state requirements to reduce the sulfur content in diesel fuel and to require cleaner diesel engines. DENR hopes that the State and the petroleum industry can work together to phase in cleaner diesel fuel.

Please contact me if you would like to discuss these issues further.

Sincerely,

Bill Holman

cc: The Honorable Fountain Odom
The Honorable Pryor Gibson
The Honorable Brad Miller
The Honorable Joe Hackney
Mr. John Hankinson
Dr. David Moreau
Ms. Marion Deerhake
Mr. Alan Klimek