

during 1994, plus additional allocations for desulfurization from October 1, 1993 through December 31, 1993. The eligibility for and calculation of allowances to small diesel refineries is in accordance with Section 410(h) of the Clean Air Act, implemented at 40 CFR part 73, subpart G, and the notice published at 60 FR 14836, March 21, 1995.

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SUPPLEMENTARY INFORMATION: EPA's Acid Rain Program was established by Title IV of the Clean Air Act Amendments of 1990 (CAAA) to reduce acid rain in the continental United States. The Acid Rain Program will achieve a 50 percent reduction in sulfur dioxide (SO₂) emissions from utility units. The SO₂ reduction program is a flexible market-based approach to environmental management. As part of

this approach, EPA allocates "allowances" to affected utility units. Each allowance is a limited authorization to emit up to one ton of SO₂. At the end of each calendar year, each unit must hold allowances in an amount equal to or greater than its SO₂ emissions for the year. Allowances may be bought, sold, or transferred between utilities and other interested parties. Those utility units whose annual emissions are likely to exceed their allocations may install control technologies or switch to cleaner fuels to reduce SO₂ emissions or buy additional allowances.

Section 410(h) of the Clean Air Act provides allowances for small diesel refineries that desulfurize diesel fuel from October 1, 1993 through December 31, 1999. Small refineries are not otherwise affected by the Acid Rain Program and do not need the allowances to comply with any provision of the Clean Air Act. Thus, the allowances

serve as a financial benefit to small diesel refineries desulfurizing diesel fuel. On July 7, 1994, EPA announced the first allocation of allowances under the small diesel refinery program.

In late 1994, EPA was informed by several refiners that there was confusion regarding eligibility for the program. To resolve the confusion, EPA provided notice on March 21, 1995 (60 FR 14836) that extended the submittal date for requesting allowances for desulfurization in 1993 and in 1994 until May 15, 1995.

The following table lists 1,458 allowances to be allocated to five eligible refineries for desulfurization from October 1, 1993 through December 31, 1993. These refineries and allowances are in addition to the 7,944 allowances allocated in 1994 to fifteen refiners (see 59 FR 34811, July 7, 1994), bringing the total number of allowances allocated to 9,402. The allowances have a compliance year of 1995.

Refiner	Refinery name or location	Allocation
Big West Oil	Flying J	303
Crysen	Woods Cross, Utah	162
Hunt	Tuscaloosa, Alabama	580
La Gloria	Crown	400
Witco	Golden Bear	13

The following table lists the allowances allocated to eligible small diesel refineries for desulfurization in 1994. A total of 28215 allowances are allocated to 19 refiners. These allowances have a compliance year of 1995.

Refiner	Refinery name or location	Allocation
Big West Oil	Flying J	1230
Cenex	Laurel, Montana	1500
Crysen	Woods Cross, Utah	278
Frontier	Cheyenne, Wyoming	1500
Gary Williams	Bloomfield	1232
Giant	Ciniza	1275
Holly	Lea	1438
.....	Navajo	1479
.....	Montana	334
Hunt	Tuscaloosa, Alabama	1500
Kern	Bakersfield, California	1500
La Gloria	Crown	1500
Lion	El Dorato	1500
Paramount	Paramount, California	1500
Pennzoil	Atlas	1500
.....	Roosevelt	214
Powerine	Santa Fe Springs	1500
Pride	Abilene, Texas	1263
Sinclair	Little America	1362
.....	Sinclair, Wyoming	1500
.....	Tulsa, Oklahoma	1500
U.S. Oil & Refining	Tacoma, Washington	936
Witco	Golden Bear	51
Wyoming Refining	Denver, Colorado	623