baseline levels of sulfur and olefins must show that the installation of the refinery units necessary to comply with its actual (i.e., unadjusted) baseline would cost \$10 million or be at least 10 percent of the depreciated book value of the refinery as of January 1, 1995. EPA requests comments on this criterion and specifically whether such amounts are adequate given the type of unit (e.g., hydrotreater) that a refiner would have to install in order to comply. EPA also requests comments on (1) the economic burden, if any, of producing and selling gasoline blendstocks in lieu of finished gasoline, and (2) the economic burden of complying with an unadjusted baseline under the circumstances described above by modifying refinery operations in ways other than installing major refinery units.

(3) EPA proposes that such an adjustment be available to both single-refinery and multi-refinery refiners and that the affected refinery of a multi-refinery refiner may not be aggregated with the refiner's other refineries for

compliance purposes.

(4) If a refiner meets the above criteria and is approved for a baseline adjustment, EPA proposes that the baseline adjustment simply amount to setting the annual average sulfur and olefin values to 30 ppm and 1.0 volume percent, respectively. If at any time the refinery's baseline is aggregated with another refiner's baseline for compliance purposes, the applicable individual baseline would revert to the unadjusted baseline. The summer and winter values would each also be set to 30 ppm for sulfur and 1.0 volume percent for olefins. Comments are requested on the methodology of setting the adjusted baseline sulfur and olefin values. An alternative approach to setting seasonal values for sulfur and olefins would be to maintain the actual (i.e., unadjusted) proportion of summer to winter sulfur and olefin values.

As with the baseline adjustment proposals described earlier, EPA expects minimal negative environmental effects from allowing baseline adjustments under the criteria proposed in this section due to the small number of refiners which might qualify for such an adjustment and the small amount of additional gasoline that would be affected by the proposed baseline adjustments.

V. Stay and Reconsideration of the Regulations

A. Authority for Stay and Reconsideration

The administrative stay (which is published elsewhere in this issue of the

Federal Register) of the provisions concerning JP–4 and certain changes in sweet crude oil are being undertaken pursuant to section 307(d)(7)(B) of the Clean Air Act, 42 U.S.C. 7607(d)(7)(B). That provision authorizes the Administrator to stay the effectiveness of a rule for three months if the grounds for an objection arose after the period for public comment and if the objection is of central relevance to the outcome of the rule.

The grounds for an objection to the criteria for an individual baseline adjustment based on production of JP-4 jet fuel arose after the end of the public comment period, and before the time allowed for seeking judicial review. Basically, new information has been submitted to EPA concerning the number of parties potentially affected by the criteria adopted, and the ability of parties with more than one refinery to aggregate baselines and thereby avoid the adverse impacts of a failure to obtain an individual baseline adjustment. This information became available to EPA after the final criteria were adopted by EPA, and are directly relevant to the basic rationale for those criteria. This information was not available before that time, because it relates to the impact of the final criteria adopted by EPA as compared to the proposed criteria.

Similarly, the grounds for an objection to a lack of a baseline adjustment based on changes in the sulfur level of available crude oil arose after expiration of the period for public comment. It appears that the sulfur levels of crude have changed significantly since 1990 for certain areas of the country. Until EPA issued its final rules in December 1993, and more information was obtained on the sulfur levels of crude that would be available for use in 1995 and later, refiners that have historically relied on the availability of low sulfur crude could not identify for EPA the full impact of the final conventional gasoline requirements on their ability to continue marketing conventional gasoline.

Based on the above, and the Agency's interest in reconsidering these provisions through rulemaking, EPA is issuing a three-month administrative stay (which is published elsewhere in this issue of the **Federal Register**) of the effectiveness of the following rules, with certain conditions keyed to the requirements proposed today. The stay is structured such that it will only affect those persons who meet the requirements proposed today.

First, 40 CFR 80.91(e)(7)(i)(A) through (C) is being stayed for three months for all persons that meet the requirements

proposed today regarding \S 80.91(e)(7). In effect, persons who meet the proposed requirements would be able to receive a baseline adjustment under \S 80.91(e)(7) if they also met the requirements of \S 80.91(e)(7)(ii) and (iii). If a person does meet these conditions, then the Agency may approve a baseline adjustment under the terms of this stay, or under the terms of any stay issued through rulemaking.

Second, 40 CFR 80.101(b)(1)(ii) is being stayed for three months for all persons that meet the requirements proposed today as a new § 80.91(e)(8), and that comply with an annual average sulfur level of 125% of the compliance baseline that would apply under the new § 80.91(e)(8) proposed today. (See the Option 1 discussion in Section III.B. above.) In effect, the stay would only affect those persons who meet the proposed requirements for a baseline adjustment and who also meet the annual average sulfur level for conventional gasoline that would apply if they received a baseline adjustment under this proposal.

EPA is also proposing to stay these provisions by rule, pending completion of this rulemaking. If EPA does not finalize the changes proposed today, then EPA would revise any such baseline established during the stay to conform with the final action taken by the Agency. An appropriate time period would be allowed before a revised baseline would become effective. The terms of the 3 month administrative stay and any stay issued through rulemaking would apply to all gasoline produced from January 1, 1995 through to the end of any such stay.

B. Proposal for a Stay Pending Rulemaking

As described earlier, EPA is issuing a three month administrative stay of certain provisions pending reconsideration by the Agency. The authority for this three month administrative stay is section 307(d)(7)(B) of the Act. Since EPA may not be able to complete its reconsideration and this rulemaking during this time period, EPA proposes to extend the stay until final action is taken on the regulatory changes proposed herein. EPA requests public comment on this extension of the stay during reconsideration and rulemaking.

VI. Confidentiality of Information Submitted for Individual Baselines

A. Introduction

The final regulations issued by EPA in December 1993 determined that certain information submitted by refiners or