America’s refiners and motor gasoline suppliers are facing an unprecedented inventory management challenge as the national response to COVID-19 has reduced domestic demand for fuel.

Several regions in the U.S. are required to sell a summer-specific gasoline blend as part of a national effort to combat pollution. Fuel inventory in these regions transitions from a winter blend to a summer blend gasoline every year by the federal deadline of June 1. The underlying policy is known as the summer Reid Vapor Pressure rule (RVP).

This year, winter gas is being sold at a slower pace due to COVID-19. Because of this, it is likely going to be difficult for many fuel hubs to work through their store of winter gas before the summer RVP deadline kicks in. That inventory needs to move in order to make room for summer fuel, and it can only move as drivers purchase gas or as storage space becomes available.

AFPM has been proactive in identifying this inventory challenge to regulators in Washington and communicated with EPA about the need for flexibility around this year’s RVP deadline. This week, AFPM sent a letter to EPA Administrator Andrew Wheeler alerting him to the potential compliance concerns related to the slow drawdown of winter fuel. We also shared our desire to work with regulators on a workable solution that allows the country to continue reaping the environmental benefits of the RVP rule.

These are unprecedented times, and flexibility with respect to fuel inventory is needed.

Read a copy of AFPM’s letter to EPA Administrator Wheeler.

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