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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2015

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A N A C T

RELATING TO HEALTH AND SAFETY -- BIODIESEL HEATING OIL ACT OF 2013

Introduced By: Senator V. Susan Sosnowski

Date Introduced: May 14, 2015

Referred To: Senate Environment & Agriculture

(Environmental Management)

It is enacted by the General Assembly as follows:

1           SECTION 1. Sections 23-23.7-3, 23-23.7-4, 23-23.7-5, 23-23.7-6 and 23-23.7-7 of the  
2 General Laws in Chapter 23-23.7 entitled "Biodiesel Heating Oil Act of 2013" are hereby  
3 amended to read as follows:

4           **23-23.7-3. Definitions.** -- As used in this chapter, the following words shall have the  
5 following meanings:

6           (1) The term "ASTM" means American Society for Testing and Materials.

7           (2) "Biobased product" shall include the following;

8           (i) "Biobased liquid fuel" means a liquid fuel that is derived principally from renewable  
9 biomass and meets the specifications or quality certification standards for use in residential,  
10 commercial, or industrial heating applications established by ASTM International--ASTM D396,  
11 or the appropriate successor standard, as the case may be.

12           (ii) "Biodiesel fuel" means the monoalkyl esters of long chain fatty acids derived from  
13 plant or animal matters which meet the registration requirements for fuels and fuel additives  
14 established by the United States environmental protection agency under section 211 of the clean  
15 air act, 42 U.S.C. § 7545, and the requirements of ASTM International--ASTM D6751.

16           (iii) "Renewable biomass" means a material, including crops and crop residues, trees and  
17 tree residues, organic portions of municipal solid waste, organic portions of construction and  
18 demolition debris, grease trap waste, and algae, that can be used for fuel but does not have a  
19 petroleum or other fossil fuel base.

1 (3) ~~"Director" means the director of the department of environmental management.~~ "Fuel  
2 oil terminal" means a fuel oil storage and distribution facility that is supplied by pipeline or  
3 waterborne vessel, and from which fuel oil may be distributed at a loading rack into a truck,  
4 trailer, or railroad car. Fuel oil terminals may be supplied by additional means such as tank trucks  
5 or railroad cars.

6 (4) "Heating oil" means fuel or fuel oil used for heating residential, commercial, or  
7 industrial properties, including No. 1 distillate, No. 2 distillate, a liquid blended with No. 1  
8 distillate, No. 2 distillate, or a five percent (5%) biobased liquid fuel that meets the specifications  
9 or quality certification standards for use in residential, commercial, or industrial heating  
10 applications established by ASTM International.

11 **23-23.7-4. Heating oil biobased products.** -- Notwithstanding any law, rule, regulation,  
12 or order to the contrary, and in accordance with the compliance schedule established in this  
13 chapter, all No. 2 distillate heating oil sold in the state for residential, commercial, or industrial  
14 uses within the state, shall contain, ~~at a minimum~~ on average, the specified percentage of  
15 biobased product, unless such requirement has been suspended pursuant to § 23-23.7-6. The  
16 compliance schedule shall be as follows:

17 (1) Not later than July 1, 2014, all No. 2 distillate heating oil sold in the state shall  
18 contain not less than two percent (2%) of a biobased product on average.

19 (2) Not later than July 1, 2015, all No. 2 distillate heating oil sold in the state shall  
20 contain not less than three percent (3%) of a biobased product on average.

21 (3) Not later than July 1, 2016, all No. 2 distillate heating oil sold in the state shall  
22 contain not less than four percent (4%) of a biobased product on average.

23 (4) Not later than July 1, 2017, all No. 2 distillate heating oil sold in the state shall  
24 contain not less than five percent (5%) of a biobased product on average.

25 **23-23.7-5. Certification.** -- (a) ~~The blender of the biobased product at the time of sale to~~  
26 ~~a distributor of~~ Each fuel oil terminal that distributes heating fuel shall provide certification  
27 stating:

28 (1) That the No. 2 distillate heating fuel meets ASTM International--ASTM D396 and/or  
29 the successor standard as the case may be; and

30 (2) That the biobased product used for blending meets the definition of biobased product  
31 in subdivision 23-23.7-3(2); and

32 (3) The percentage of the biobased product contained in the fuel.

33 (b) The ~~director~~ office of energy resources shall create and provide to ~~blenders~~ fuel oil  
34 terminals a ~~quarterly~~ semiannual report form to be filed by the ~~blender~~ fuel oil terminal with the

1 ~~department of environmental management~~ office of energy resources stating the number of  
2 gallons of biobased fuel sold and certification that said gallons meet the standards set forth in this  
3 chapter.

4 **23-23.7-6. Enforcement.** -- It shall be the responsibility of the ~~director of the department~~  
5 ~~of environmental management~~ commissioner of the office of energy resources to administer and  
6 enforce this chapter.

7 **23-23.7-7. Suspension.** – (a) The governor of the state of Rhode Island may temporarily  
8 suspend the requirements imposed by § 23-23.7-4 if it is determined by the office of energy  
9 resources that the physical availability of biobased product heating oil which complies with these  
10 requirements is inadequate at commercially reasonable prices to meet the needs of the residential,  
11 commercial, or industrial uses in this state and the inadequate availability constitutes an  
12 emergency, provided that ~~the governor, shall specify in writing,~~ the period of time the suspension  
13 shall be in effect shall not exceed six (6) months. Any person seeking a suspension under this  
14 subsection shall submit a request in writing to the office of energy resources that provides  
15 sufficient information to demonstrate that the physical availability of biobased product heating oil  
16 which complies with these requirements is inadequate at commercially reasonable prices to meet  
17 the needs of the residential, commercial, or industrial uses in this state and the inadequate  
18 availability constitutes an emergency.

19 (b) The office of energy resources may, upon application by a fuel oil terminal, defer  
20 compliance with the requirements imposed by § 23-23.7-4 for that fuel oil terminal where  
21 compliance is not possible for good cause shown; provided that the order shall not defer  
22 compliance for more than six (6) months. Any person seeking a deferral under this subsection  
23 shall submit a request in writing to the office of energy resources that provides sufficient  
24 information to demonstrate why a deferral of compliance is needed.

25 SECTION 2. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

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RELATING TO HEALTH AND SAFETY -- BIODIESEL HEATING OIL ACT OF 2013

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1           This act would replace the director of the department of environmental management with  
2 the commissioner of the office of energy resources as the individual responsible to administer and  
3 enforce the law on biodiesel heating oil. In addition, it would establish a procedure to follow in  
4 order to obtain a temporary suspension from compliance when there is an inadequate supply of  
5 biobased products.

6           This act would take effect upon passage.

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