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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2018

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A N A C T

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

Introduced By: Senators Sosnowski, Crowley, Miller, Conley, and Coyne

Date Introduced: February 15, 2018

Referred To: Senate Environment & Agriculture

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 and 23-23.7-7 of the General
2 Laws in Chapter 23-23.7 entitled "Biodiesel Heating Oil Act of 2013" are hereby amended to
3 read as follows:

4 **23-23.7-3. Definitions.**

5 As used in this chapter, the following words shall have the 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.

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

6 ~~(4)~~(5) "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.**

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

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.

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.

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.

25 (5) Not later than July 1, 2018, all No. 2 distillate heating oil sold in the state shall
26 contain not less than five percent (5%) of a biobased product on average.

27 **23-23.7-5. Certification.**

28 (a) ~~The blender of the biobased product at the time of sale to a distributor of~~ Each fuel oil
29 terminal that distributes heating ~~fuel~~ oil shall provide certification stating:

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

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

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

1 (b) The director shall create and provide to ~~blenders~~ fuel oil terminals a quarterly report
2 form to be filed by the ~~blender~~ fuel oil terminals with the department of environmental
3 management stating the number of gallons of biobased fuel sold and certification that said gallons
4 meet the standards set forth in this chapter.

5 **23-23.7-7. Suspension.**

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

17 (b) The director may, upon application, defer compliance with the requirements imposed
18 by § 23-23.7-4 for a period not to exceed three (3) months where compliance is not possible for
19 good cause shown. Any fuel oil terminal seeking a deferral of compliance under this section shall
20 submit a request, in writing, to the director that provides sufficient information to demonstrate
21 why a deferral of compliance is needed.

22 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

1 This act would add a definition for "fuel oil terminal" for the purposes of the Biodiesel
2 heating oil act of 2013, and would establish procedures for obtaining temporary suspensions from
3 compliance when there is an inadequate supply of biobased product, or when good cause is
4 shown.

5 This act would take effect upon passage.

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