2021 -- H 5132 SUBSTITUTE A

LC000017/SUB A

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2021

AN ACT

RELATING TO HEALTH AND SAFETY -- BIODIESEL PRODUCTS

Introduced By: Representatives Ruggiero, Carson, Knight, and Abney

Date Introduced: January 25, 2021

Referred To: House Environment and Natural Resources

It is enacted by the General Assembly as follows:

1	SECTION 1. The title of Chapter 23-23.7 of the General Laws entitled "Biodiesel Heating
2	Oil Act of 2013" is hereby amended to read as follows:
3	CHAPTER 23-23.7
4	Biodiesel Heating Oil Act of 2013
5	<u>CHAPTER 23-23.7</u>
6	BIODIESEL PRODUCTS
7	SECTION 2. Sections 23-23.7-3, 23-23.7-4, 23-23.7-5 and 23-23.7-7 of the General Laws
8	in Chapter 23-23.7 entitled "Biodiesel Heating Oil Act of 2013" are hereby amended to read as
9	follows:
10	23-23.7-3. Definitions.
11	As used in this chapter, the following words shall have the following meanings:
12	(1) The term "ASTM" or "International" means American Society for Testing and
13	Materials <u>International</u> .
14	(2) "Biobased product" shall include the following;
15	(i) "Biobased liquid fuel" means a liquid fuel that is derived principally from renewable
16	biomass and meets the specifications or quality certification standards for use in residential,
17	commercial, or industrial heating applications established by ASTM International ASTM D396,
18	or the appropriate successor standard, as the case may be.
19	(2) "Biodiesel blend (BXX)" means a blend of biodiesel fuel with fuel oil in which the

1	"BXX" represents the volume percentage of biodiesel fuel in the blend as provided in the following
2	designations:
3	(i) "B5" represents a biodiesel blend in which the volume of biodiesel fuel in the blend is
4	between four and one-half percent (4.5%) to five and one-half percent (5.5%);
5	(ii) "B10" represents a biodiesel blend in which the volume of biodiesel fuel in the blend
6	is between nine and one-half percent (9.5%) to ten and one-half percent (10.5%).
7	(iii) "B20" represents a biodiesel blend in which the volume of biodiesel fuel in the blend
8	is between nineteen and one-half percent (19.5%) to twenty and one-half percent (20.5%).
9	(iv) "B50" represents a biodiesel blend in which the volume of biodiesel fuel in the blend
10	is forty-nine and one-half percent (49.5%) to fifty and one-half percent (50.5%).
11	(ii)(3) "Biodiesel fuel" means the monoalkyl esters of long chain fatty acids derived from
12	plant or animal matters a fuel, designated B100, that meets the requirements of ASTM D6751, or
13	the most recent specification and which meet meets the registration requirements for fuels and fuel
14	additives established by the United States environmental protection agency under section 211 of
15	the clean air act, 42 U.S.C. § 7545, and the requirements of ASTM InternationalASTM D6751.
16	(4) "Biodiesel heating fuel" means a heating fuel comprised of biodiesel and/or renewable
17	hydrocarbon diesel that is blended with heating oil that meets the requirements of ASTM D396, or
18	the most recent specification, or a fuel comprised of renewable hydrocarbon diesel with petroleum
19	heating oil that meets the specification of ASTM D975, or other specifications as determined by
20	the director.
21	(iii) (5) "Biomass" or "Renewable biomass" means a material, including crops and crop
22	residues, trees and tree residues, organic portions of municipal solid waste, organic portions of
23	construction and demolition debris, grease trap waste, and algae, that can be used for fuel but does
24	not have a petroleum or other fossil fuel base.
25	(6) "Blender" or "distributer" means the person that holds the inventory position in the
26	heating oil, as reflected on the records of the terminal operator. A person holds the inventory
27	position in heating oil when the person has a contractual agreement with the terminal operator for
28	the use of storage facilities and terminaling services at a terminal with respect to the heating oil.
29	The term also includes a terminal operator that owns heating oil in its terminal.
30	(3)(7) "Director" means the director of the department of environmental management.
31	(8) "Eligible Feedstock" means soybean oil, canola oil, oil from annual cover crops, algal
32	oil, biogenic waste oils, fats, and greases, camelina sativa oil, distillers corn oil, distillers sorghum
33	oil, and commingled distillers corn and sorghum oil, provided that the commissioner may, by rules
34	and regulations, modify the definition of feedstock based on EPA's potential future modifications

1	of Table 1 of 40 C.F.R § 80.142611, and which has generated a RIN in compliance with the federal
2	RFS program.
3	(4)(9) "Heating oil" means fuel or fuel oil used for heating residential, commercial, or
4	industrial properties, including No. 1 distillate, No. 2 distillate, a liquid blended with No. 1
5	distillate, No. 2 distillate, or a five percent (5%) biobased liquid fuel that meets the specifications
6	or quality certification standards for use in residential, commercial, or industrial heating
7	applications established by ASTM International petroleum oil refined for the purpose of use as fuel
8	for combustion in a space and/or water heating system that meets the requirements of ASTM D396,
9	or the most recent specification.
10	(10) "Renewable hydrocarbon diesel" means a fuel derived from an eligible feedstock that
11	meets the requirements of ASTM D975, or the most recent specification. Renewable hydrocarbon
12	diesel shall not include any fuel from co-processed biomass with a feedstock that is not a biomass.
13	23-23.7-4. Heating oil biobased products.
14	Notwithstanding any law, rule, regulation, or order to the contrary, and in accordance with
15	the compliance schedule established in this chapter, all No. 2 distillate heating oil sold in the state
16	for residential, commercial, or industrial uses within the state, shall contain, at a minimum, the
17	specified percentage of biobased product, unless such requirement has been suspended pursuant to
18	§ 23-23.7-6 23-23.7-7 . The compliance schedule shall be as follows:
19	(1) Not later than July 1, 2014, all No. 2 distillate heating oil sold in the state shall contain
20	not less than two percent (2%) of a biobased product.
21	(2) Not later than July 1, 2015, all No. 2 distillate heating oil sold in the state shall contain
22	not less than three percent (3%) of a biobased product.
23	(3) Not later than July 1, 2016, all No. 2 distillate heating oil sold in the state shall contain
24	not less than four percent (4%) of a biobased product.
25	(4) Not later than July 1, 2017, all No. 2 distillate heating oil sold in the state shall contain
26	not less than five percent (5%) of a biobased product.
27	(5) Not later than July 1, 2021, all No. 2 distillate heating oil sold in the state shall at a
28	minimum meet the standards for B5 biodiesel blend and/or renewable hydrocarbon diesel.
29	(6) Not later than July 1, 2023, all No. 2 distillate heating oil sold in the state shall at a
30	minimum meet the standards for B10 biodiesel blend and/or renewable hydrocarbon diesel.
31	(7) Not later than July 1, 2025, all No. 2 distillate heating oil sold in the state shall at a
32	minimum meet the standards for B20 biodiesel blend and/or renewable hydrocarbon diesel.
33	(8) Not later than July 1, 2030, all No. 2 distillate heating oil sold in the state shall at a
34	minimum meet the standards for R50 biodiesel blend and/or renewable hydrocarbon diesel

- 2 (a) The blender <u>or distributor</u> of <u>the biobased product</u> <u>biodiesel fuel or renewable</u>
 3 <u>hydrocarbon diesel</u> at the time of sale to a <u>retail</u> distributor of heating fuel shall provide certification
 4 stating:
 - (1) That the No. 2 distillate heating fuel meets ASTM International--ASTM D396 and/or the successor standard as the case may be; and
- 7 (2) That the biobased product biodiesel fuel or renewable hydrocarbon diesel used for 8 blending meets the definition of biobased product biodiesel fuel or renewable hydrocarbon diesel 9 in § 23-23.7-3(2) 23-23.7-3; and
 - (3) The percentage of the biobased product biodiesel fuel or renewable hydrocarbon diesel contained in the fuel.
 - (b) The director shall create and provide to blenders <u>and distributors</u> a quarterly report form to be filed by the blender <u>or distributor</u> with the department of environmental management stating the number of gallons of <u>biobased fuel biodiesel fuel or renewable hydrocarbon diesel</u> sold and certification that said gallons meet the standards set forth in this chapter.

23-23.7-7. Suspension.

The governor of the state of Rhode Island, or the director, may temporarily suspend the requirements imposed by § 23-23.7-4 if it is determined that the physical availability of biobased product biodiesel fuel and/or renewable hydrocarbon diesel heating oil which complies with these requirements is inadequate or unavailable at commercially reasonable prices to meet the needs of the residential, commercial, or industrial uses in this state and the inadequate availability constitutes an emergency, provided that the governor or director, shall specify in writing, the period of time the suspension shall be in effect; provided that this period shall not exceed three (3) months. Any person seeking a suspension shall submit a request in writing to the governor or director that provides the factual basis for the suspension.

SECTION 3. This act shall take effect on January 1, 2022.

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EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

AN ACT

RELATING TO HEALTH AND SAFETY -- BIODIESEL PRODUCTS

This act would amend the compliance standards for heating oil biobased products providing minimum standards for the percentage of biobased product that certain types of heating oil must contain.

This act would take effect January 1, 2022.

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