AN ACT

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

Introduced By: Representatives Ruggiero, McEntee, Craven, Amore, and Serodio

Date Introduced: February 14, 2019

Referred To: House Environment and Natural Resources

It is enacted by the General Assembly as follows:

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

23-23.7-3. Definitions.

As used in this chapter, the following words shall have the following meanings:

(2) "Biobased product" shall include the following:
   (i) "Biobased liquid fuel" means a liquid fuel that is derived principally from renewable biomass and meets the specifications or quality certification standards for use in residential, commercial, or industrial heating applications established by ASTM International--ASTM D396, or the appropriate successor standard, as the case may be.
   (ii) "Biodiesel fuel" means the monoalkyl esters of long chain fatty acids derived from plant or animal matters which meet the registration requirements for fuels and fuel additives established by the United States environmental protection agency under section 211 of the clean air act, 42 U.S.C. § 7545, and the requirements of ASTM International--ASTM D6751.
   (iii) "Renewable biomass" means a material, including crops and crop residues, trees and tree residues, organic portions of municipal solid waste, organic portions of construction and demolition debris, grease trap waste, and algae, that can be used for fuel but does not have a petroleum or other fossil fuel base.
(3) "Director" means the director of the department of environmental management.

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

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

23-23.7-4. Heating oil biobased products.

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

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

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

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

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

(5) Not later than July 1, 2020, all No. 2 distillate heating oil sold in the state shall contain not less than seven percent (7%) of a biobased product, at a minimum.

(6) Not later than July 1, 2021, all No. 2 distillate heating oil sold in the state shall contain not less than nine percent (9%) of a biobased product, at a minimum.

(7) Not later than July 1, 2022, all No. 2 distillate heating oil sold in the state shall contain not less than eleven percent (11%) of a biobased product, at a minimum.

(8) Not later than July 1, 2023, all No. 2 distillate heating oil sold in the state shall contain not less than thirteen percent (13%) of a biobased product, at a minimum.

(9) Not later than July 1, 2024, all No. 2 distillate heating oil sold in the state shall contain not less than fifteen percent (15%) of a biobased product, at a minimum.
(10) Not later than July 1, 2025, all No. 2 distillate heating oil sold in the state shall contain not less than seventeen percent (17%) of a biobased product, at a minimum.

(11) Not later than July 1, 2026, all No. 2 distillate heating oil sold in the state shall contain not less than nineteen percent (19%) of a biobased product, at a minimum.

23-23.7-5. Certification.

(a) The blender of the biobased product at the time of sale to a distributor of heating fuel and each fuel oil terminal that distributes heating oil shall provide certification 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

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

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

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

23-23.7-7. Suspension.

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

(b) The director may, upon application by a fuel oil terminal, defer compliance with the requirements imposed by § 23-23.7-4 for a period that shall not exceed six (6) months for that fuel oil terminal where compliance is not possible for good cause shown. Any fuel oil terminal seeking a deferral of compliance under this subsection shall submit a request in writing to the director that provides sufficient information to demonstrate why a deferral of compliance is
SECTION 2. This act shall take effect upon passage.
This act would require ever increasing requirements of biobased product in No. 2 distillate heating oil. By July 1, 2020, seven percent (7%) of No. 2 distillate heating oil shall be biobased product. This would increase annually until July 1, 2026, when nineteen percent (19%) would be biobased product in No. 2 heating oil. The act would provide for the suspension of this requirement in limited circumstances.

This act would take effect upon passage.