

ASSEMBLY, No. 4352

STATE OF NEW JERSEY 213th LEGISLATURE

INTRODUCED DECEMBER 14, 2009

Sponsored by:

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District 20 (Union)

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SYNOPSIS

Requires specific reduction of sulfur content in heating oil, and scheduled increase of blending biofuels therein after July 1, 2011, unless requirements are waived by Governor pursuant to Executive Order.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT imposing certain ultra-low sulfur and biobased liquid
2 content requirements on heating oil and supplementing Title 26
3 of the Revised Statutes.

4
5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*

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8 1. This act shall be known and may be cited as the "Ultra-Low
9 Sulfur and Biobased Heating Oil Fuel Act of 2009."

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11 2. As used in this act:

12 "Biobased liquid fuel" means a liquid fuel that is derived
13 principally from renewable biomass and meets the specifications or
14 quality certification standards for use in residential, commercial, or
15 industrial heating applications established by ASTM International -
16 ASTM D6751, or the appropriate successor standard, as the case
17 may be.

18 "Biodiesel fuel" means the monoalkyl esters of long chain fatty
19 acids derived from plant or animal matters which meet the
20 registration requirements for fuels and fuel additives established by
21 the United States Environmental Protection Agency under section
22 211 of the Clean Air Act, 42 U.S.C. s.7545, and the requirements of
23 ASTM International - ASTM D6751.

24 "Heating oil" means heating fuel or fuel oil used for heating
25 residential, commercial, or industrial properties, including No. 1
26 distillate, No. 2 distillate No. 6 distillate, a liquid blended with No.
27 1 distillate, No. 2 distillate, or No. 6 distillate with a 3% sulfate
28 level, or a 5% biobased liquid fuel that meets the specifications or
29 quality certification standards for use in residential, commercial, or
30 industrial heating applications established by ASTM International.

31 "Renewable biomass" means a material, including crops and crop
32 residues, trees and tree residues, organic portions of municipal solid
33 waste, organic portions of construction and demolition debris,
34 grease trap waste, and algae, that can be used for fuel but does not
35 have a petroleum or other fossil fuel base.

36 "Renewable diesel fuel" means diesel fuel derived from biomass
37 using a thermal depolymerization process which meets the
38 registration requirements for fuels and fuel additives the United
39 States Environmental Protection Agency under section 211 of the
40 Clean Air Act, 42 U.S.C. s.7545, and the requirements of ASTM
41 International - ASTM D975 or D396.

42
43 3. a. Notwithstanding any law, rule, regulation, or order to the
44 contrary, on July 1, 2011 and thereafter, all heating oil sold for
45 residential, commercial, or industrial heating uses within the State
46 shall have a sulfur content of 15 parts per million or less.

47 b. The Governor, by Executive Order, may, for a period of 180
48 days, temporarily suspend the implementation and enforcement of

1 subsection a. of this section, if the Governor determines, in
2 consultation with the Department of Environmental Protection, that
3 compliance with the requirement established in subsection a. of this
4 section is not feasible because a sufficient amount of the required
5 blend of heating oil is not commercially available, and cannot be
6 made commercially available, to meet the anticipated demand
7 within the State by July 1, 2011.

8 c. Upon determining that sufficient supplies of the required
9 blend of heating oil can be made commercially available to meet the
10 anticipated demand within the State, the Governor shall rescind any
11 temporary suspension imposed pursuant to subsection b. of this
12 section, and shall establish an implementation and enforcement date
13 180 days or more after the date on which sufficient supplies of the
14 required blend of heating oil can be made commercially available at
15 reasonable rates to meet the anticipated demand within the State.

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17 4. a. Notwithstanding any law, rule, regulation, or order to the
18 contrary, and in accordance with the compliance schedule
19 established in this subsection, on July 1, 2011 and thereafter, all
20 heating oil sold in the State for residential, commercial, or
21 industrial uses, or for hot water heating within the State, shall
22 contain at a minimum the specified percentage of biobased liquid
23 fuel, unless such requirement has been waived pursuant to
24 subsection b. of this section. The compliance schedule shall be as
25 follows:

26 (1) from July 1, 2011 to June 30, 2012 ----- 3%

27 (2) July 1, 2012 to June 30, 2013 ----- 4%

28 (3) July 1, 2013 and thereafter ----- 5%.

29 b. The Governor, by Executive Order, may, for a period of 180
30 days, suspend the implementation and enforcement of paragraph
31 (1), (2), or (3) of subsection a. of this section, if the Governor
32 determines, in consultation with the Department of Environmental
33 Protection, that meeting the compliance schedule established in
34 subsection a. of this section is not feasible because a sufficient
35 amount of the required blend of heating oil is not commercially
36 available, and cannot be made commercially available, as
37 determined by the Commissioner of Environmental Protection, to
38 meet the anticipated demand within the State within the prescribed
39 schedule.

40 c. Upon determining that a sufficient supply of the required
41 blend of heating oil can be made commercially available to meet the
42 anticipated demand within the State, the Governor shall rescind the
43 suspension imposed pursuant to subsection b. of this section, and
44 shall establish a compliance date for the blend of heating oil to
45 contain the appropriate percentage of biobased liquid fuel. No
46 compliance date established pursuant to this subsection may be 180
47 days or less after the date on which sufficient supplies of the

1 required blend of heating oil can be made commercially available to
2 meet the anticipated demand within the State.

3 d. In order to meet the percentage requirements established in
4 subsection a. of this section, heating oil sold for residential,
5 commercial, or industrial use or hot water heating within the State
6 shall be blended at the wholesale point of distribution. Nothing in
7 this subsection shall be interpreted as precluding any person from
8 blending heating oil at other than the wholesale point of distribution
9 for use by that person or any other person.

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11 5. This act shall take effect immediately.

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STATEMENT

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16 This bill, entitled the "Ultra-Low Sulfur and Biobased Heating
17 Oil Fuel Act of 2009," requires all heating oil sold on or after July
18 1, 2011 for residential, commercial, or industrial heating uses
19 within this State to have an ultra-low sulfur content of no more than
20 15 parts per million, unless such a requirement is waived by the
21 Governor pursuant to an Executive Order.

22 The bill also establishes a compliance schedule for the biobased
23 liquid content of heating oil, unless waived by the Governor
24 pursuant to an Executive Order, that requires heating oil sold in the
25 State:

26 1) from July 1, 2011 to June 30, 2012 to have at least a three
27 percent biobased liquid content;

28 2) from July 1, 2012 to June 30, 2013 to have at least a four
29 percent biobased liquid content; and

30 3) from July 1, 2013 and thereafter to have a five percent
31 biobased liquid content.

32 The bill authorizes the Governor to suspend the implementation
33 and enforcement of the ultra-low sulfur and biobased liquid content
34 requirements for a period of 180 days if the Governor determines,
35 in consultation with the Department of Environmental Protection,
36 that meeting such requirements is not feasible because sufficient
37 amounts of the required blend of heating oil are not commercially
38 available to meet anticipated demand. The bill authorizes the
39 Governor to establish a new compliance date when sufficient
40 supplies can be made available.

41 The bill requires that to meet the percentage requirements
42 established in the compliance schedule in section 4 of the bill,
43 heating oil shall be blended at the wholesale point of distribution
44 but no person is precluded from blending heating oil at other than
45 the wholesale point of distribution for use by that person or any
46 other person.