



General Assembly

January Session, 2021

Raised Bill No. 6412

LCO No. 3150



Referred to Committee on ENERGY AND TECHNOLOGY

Introduced by:

(ET)

AN ACT CONCERNING A LOW-CARBON FUEL BLEND OF HEATING OIL AND THE ESTABLISHMENT OF A BIOHEAT ADVISORY BOARD.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 16a-21b of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2021*):

3 (a) For purposes of this section:

4 (1) "Heating oil" means heating fuel that meets the American Society
5 of Testing Materials or "ASTM" standard D396 or the "ASTM" standard
6 D6751;

7 (2) ["Biodiesel blend" means a fuel comprised of mono-alkyl esters of
8 long chain fatty acids derived from vegetable oils or animal fats that
9 meets the most recent version of ASTM International designation
10 D6751;] "Low-carbon fuel blend" means a fuel meeting the standards for
11 advanced biofuels under the federal Renewable Fuel Standard Program,
12 requiring a fifty per cent reduction in lifecycle greenhouse gas
13 emissions, including, but not limited to, qualifying biodiesel meeting
14 the most recent version of ASTM International designation D6751.

15 Because of this provision, all Eligible Liquid Biofuel and bio-oil is
16 considered to have met the fifty per cent reduction in greenhouse gas
17 emissions and is not required to provide additional analysis;

18 (3) "Sold" means the wholesale sale made to a retailer or the retail sale
19 made to an end-user consumer; and

20 (4) "Commissioner" means the Commissioner of Consumer
21 Protection, or the commissioner's designee.]; and]

22 [(5) "Sufficient in-state production of biodiesel" means fifty per cent
23 of the annual mandated volume of biodiesel, as determined by the most
24 recent data available from the Energy Information Administration of the
25 United States Department of Energy, is available from in-state
26 producers based upon the combined nameplate capacity of such
27 producers.]

28 (b) [(1)] Subject to the provisions of [subdivision (2) of this subsection
29 and subsections (d) and (f)] subsection (e) of this section, (A) not later
30 than July 1, [2011] 2022, all heating oil sold in this state shall be a
31 [biodiesel blend] low-carbon fuel blend containing not less than [two]
32 five per cent biodiesel, (B) not later than July 1, [2012] 2025, all heating
33 oil sold in this state shall be a [biodiesel blend] low-carbon fuel blend
34 containing not less than [five] ten per cent biodiesel, (C) not later than
35 July 1, [2015] 2030, all heating oil sold in this state shall be a [biodiesel
36 blend] low-carbon fuel blend containing not less than [ten] fifteen per
37 cent biodiesel, (D) not later than July 1, [2017] 2034, all heating oil sold
38 in this state shall be a [biodiesel blend] low-carbon fuel blend containing
39 not less than [fifteen] twenty per cent biodiesel, and (E) not later than
40 July 1, [2020] 2035, all heating oil sold in this state shall be a [biodiesel
41 blend] low-carbon fuel blend containing not less than [twenty] fifty per
42 cent biodiesel.

43 [(2) The provisions of subparagraphs (A) to (E), inclusive, of
44 subdivision (1) of this subsection shall not take effect until the states of
45 New York, Massachusetts and Rhode Island each have adopted
46 requirements that are substantially similar to the provisions of

47 subparagraphs (A) to (E), inclusive, of subdivision (1) of this
48 subsection.]

49 (c) Unless the commissioner issues a waiver pursuant to subsection
50 [(f)] (e) of this section, any [biodiesel] low-carbon fuel blended with
51 heating oil shall be produced in accordance with industry-accepted
52 quality control standards. A certificate of analysis that verifies
53 conformity with the critical specifications of designation D6751 of
54 ASTM International, as defined by the National Biodiesel Accreditation
55 Program, or other applicable ASTM specification for low-carbon fuel
56 blends, shall be provided by the marketers or producers of any such
57 [biodiesel] low-carbon fuel prior to the blending of such [biodiesel] low-
58 carbon fuel with heating oil. The Department of Consumer Protection,
59 within available appropriations, shall verify that [biodiesel] low-carbon
60 fuel offered for sale in this state conforms to the critical specifications of
61 designation D6751 of ASTM International, as defined by the National
62 Biodiesel Accreditation Program for biodiesel, or other applicable
63 ASTM standards for low-carbon fuel blends, and to the [biodiesel] fuel
64 quality compliance protocol currently accepted by the Department of
65 Consumer Protection.

66 [(d) On or before April 1, 2011, and on or before April 1, 2012, the
67 Commissioner of Consumer Protection, in consultation with the
68 Distillate Advisory Board established pursuant to subsection (e) of this
69 section, shall, within available appropriations, determine whether there
70 is sufficient in-state production of biodiesel, to comply with the
71 provisions of subparagraphs (A) and (B) of subdivision (1) of subsection
72 (b) of this section, respectively. If the commissioner determines that such
73 production is not sufficient, the commissioner, in consultation with the
74 board, may delay the implementation date contained in said
75 subparagraph until July 1, 2012, or earlier, and July 1, 2013, or earlier,
76 respectively, provided the commissioner: (1) Not later than three
77 business days after such determination, posts a notice specifying the
78 duration of such delay on the department's Internet web site, and (2) not
79 later than thirty days after such posting, reports, in accordance with the
80 provisions of section 11-4a, the reasons for such delay to the joint

81 standing committees of the General Assembly having cognizance of
82 matters relating to the environment, general law and energy and
83 technology.]

84 [(e)] (d) (1) There is established a [Distillate] Bioheat Advisory Board.
85 Such board shall be located in the Department of Consumer Protection
86 and shall consist of the following members appointed by the
87 Commissioner of Consumer Protection: (A) Two representatives of the
88 producers or suppliers of biodiesel in this state, (B) two representatives
89 of the retail heating oil industry in this state, and (C) two representatives
90 of the wholesale distillate supply industry in this state. Each member of
91 the board shall serve at the pleasure of the commissioner and without
92 compensation. No funds shall be allocated or made available to the
93 board.

94 (2) The board shall advise the commissioner on industry and market
95 [progress in meeting and enabling compliance with the requirements of
96 subsections (b) and (c) of this section] capabilities concerning the
97 blending of home heating oil and identify opportunities for, or barriers
98 to, increasing the low-carbon fuel blend requirements of this section.

99 [(f)] (e) (1) The Commissioner of Consumer Protection, upon the
100 receipt of a petition submitted by the [Distillate] Bioheat Advisory
101 Board in compliance with the provisions of subdivision (2) of this
102 subsection, shall temporarily waive the requirements of subsections (b)
103 and (c) of this section when: (A) The United States Department of
104 Energy authorizes a release from the Northeast Heating Oil Reserve, (B)
105 there is an inadequate supply of low-sulfur distillate products, [or] (C)
106 there is an inadequate supply of [biodiesel] low-carbon fuel blending
107 stocks or an operational problem that affects the supply of [biodiesel]
108 low-carbon fuel blending stocks, or (D) the cost of low-carbon fuel
109 blends, relative to traditional distillate fuels, is such that achieving the
110 minimum low-carbon fuel blends required by this section materially
111 increases, on an annual basis, the heating fuel cost for consumers. Any
112 such waiver shall be for a period of not less than thirty days and not
113 more than forty-five days, provided such waiver may be renewed after

114 the expiration of such period of time.

115 (2) Any petition from the [Distillate] Bioheat Advisory Board that
116 requests a waiver of any requirement of subsection (b) or (c) of this
117 section shall include, at a minimum: (A) A statement of the immediate
118 threat to the health and safety of the citizens of this state posed by the
119 inadequate supply of low-sulfur distillate products, [biodiesel] low-
120 carbon fuel blending stocks or operational problems that affect the
121 supply of [biodiesel] low-carbon fuel blending stocks, as applicable, (B)
122 the cause and nature of such inadequate supply or operational problem,
123 as applicable, (C) the expected duration of such inadequate supply or
124 operational problem, and (D) as applicable, a description of any
125 alternative distillate supply that temporarily is needed to take the place
126 of the applicable distillate supply described in subsection (b) or (c) of
127 this section. Not later than three business days after receipt of any such
128 petition, the commissioner shall issue a waiver of the requirements of
129 subsection (b) or (c) of this section, as applicable.

130 [(g)] (f) Not later than February 1, [2012] 2022, and each year
131 thereafter, the Commissioner of Consumer Protection, in consultation
132 with the [Distillate] Bioheat Advisory Board, shall submit a report, in
133 accordance with the provisions of section 11-4a, to the joint standing
134 committees of the General Assembly having cognizance of matters
135 relating to energy and the environment on (1) the status and progress in
136 meeting the requirements of this section, [and on] (2) any effect that such
137 requirements may have on the price or supply of heating oil in this state,
138 and (3) opportunities for, or barriers to, increasing the low-carbon fuel
139 blend requirements of this section.

140 (g) Not later than July 1, 2022, the Commissioner of Consumer
141 Protection shall adopt regulations, in accordance with chapter 54,
142 concerning the requirement of retailers of heating oil to disclose the
143 percentage of low-carbon fuel blend contained in the home heating oil
144 delivered to consumers or an approximate range of such percentage.

145 Sec. 2. Section 16a-3d of the general statutes is amended by adding

146 subsection (e) as follows (*Effective July 1, 2021*):

147 (NEW) (e) For the Comprehensive Energy Strategy next approved
148 after October 1, 2021, and every Comprehensive Energy Strategy
149 prepared thereafter, the Commissioner of Energy and Environmental
150 Protection shall consider (1) the reductions in greenhouse gas emissions
151 resulting from low-carbon fuel blends used in home heating oil on a life-
152 cycle basis, (2) possible contributions to the state's greenhouse gas
153 emissions mandated levels, pursuant to section 22a-200a, in connection
154 with the reduction of greenhouse gas emissions on a life-cycle basis, (3)
155 the ability of a thermal portfolio standard to further reductions in
156 greenhouse gas emissions on a life-cycle basis, and (4) the relative value
157 of the reductions in greenhouse gas emissions on a life-cycle basis
158 achieved by biodiesel and other low-carbon fuel blends used currently
159 in the state compared with the value of future projected greenhouse gas
160 emissions reductions achieved by the retail heating oil industry on a life-
161 cycle basis five, ten, and twenty years into the future using the
162 Department of Energy and Environmental Protections'
163 contemporaneous projection of renewable energy utilized.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2021</i>	16a-21b
Sec. 2	<i>July 1, 2021</i>	16a-3d

Statement of Purpose:

To require a low-carbon fuel blend of heating oil in the state and to establish a Bioheat Advisory Board.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]