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An Act To Establish Biofuel and Ultra-low Sulfur Requirements for Number 2 Home Heating Oil

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 10 MRSA §1663 is enacted to read:

§ 1663. Biofuel and ultra-low sulfur requirements for heating oil

1. Definitions. As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Biofuel" has the same meaning as in Title 36, section 5219-X, subsection 1.

B. "Number 2 heating oil" means fuel oil classified as number 2 according to ASTM Standard Specification for Classification of Fuel Oils by ASTM D396-84 that is used in residential, commercial or industry heating applications.

C. "Ultra-low sulfur content heating fuel" means number 2 heating oil that has a sulfur content of no more than 15 parts per million.

2. Biofuel requirements. The biofuel requirements in this subsection apply to number 2 heating oil sold in the State.

A. Beginning July 1, 2011, a person may not sell number 2 heating oil for use in the State unless it contains at least 2% biofuel.

B. After the first calendar year in which annual production of biofuel in the State is at least 20,000,000 gallons, a person may not sell number 2 heating oil for use in the State unless it contains at least 5% biofuel.

C. After the first calendar year in which annual production of biofuel in the State is at least 40,000,000 gallons, a person may not sell number 2 heating oil for use in the State unless it contains at least 10% biofuel.

D. If the price of number 2 heating oil meeting the biofuel requirement in this subsection exceeds by 20% or more the price of number 2 heating oil that does not meet the biofuel requirement, the Governor may issue a waiver of the biofuel requirement.

3. Ultra-low sulfur content requirement. The ultra-low sulfur content requirement in this subsection applies to number 2 heating oil sold in the State.

A. Beginning July 1, 2011, a person may not sell number 2 heating oil for use in the State unless it is ultra-low sulfur content heating fuel.

B. The Governor may issue a waiver to the ultra-low sulfur content requirement in this subsection if:

(1) There is not a sufficient supply of ultra-low sulfur content heating fuel in the State; or

(2) The price of ultra-low sulfur content heating fuel in the State exceeds by 20% or more the price of number 2 heating oil that has a sulfur content over 15 parts per million.

SUMMARY

This bill requires that, beginning July 1, 2011, heating fuel sold for use in the State must have a sulfur content of no more than 15 parts per million and must contain at least 2% biofuel. As production of biofuel in the State increases, the percentage of biofuel required also increases. The bill also authorizes the Governor to waive the ultra-low sulfur and biofuel requirements.