
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1202 Session of
2007

INTRODUCED BY GERBER, GEORGE, BENNINGTON, CALTAGIRONE, CONKLIN,
CURRY, DePASQUALE, DeWEESE, EACHUS, FABRIZIO, FREEMAN,
GIBBONS, GOODMAN, HARHAI, HARKINS, HORNAMAN, JAMES, JOSEPHS,
KORTZ, MAHONEY, MANDERINO, McILVAINE SMITH, MUNDY,
M. O'BRIEN, PETRONE, PRESTON, SANTONI, SHIMKUS, K. SMITH,
M. SMITH, STABACK, SURRA, TANGRETTI, THOMAS, VITALI, WALKO
AND YUDICHAK, MAY 24, 2007

REFERRED TO COMMITTEE ON ENVIRONMENTAL RESOURCES AND ENERGY,
MAY 24, 2007

AN ACT

1 Providing for the sale of transportation fuels containing clean,
2 renewable or alternative fuel content.

3 The General Assembly of the Commonwealth of Pennsylvania
4 hereby enacts as follows:

5 Section 1. Short title.

6 This act shall be known and may be cited as the Clean Fuels
7 and Energy Independence Act.

8 Section 2. Purpose.

9 The purpose of this act is to do the following:

10 (1) Establish mandates for renewable content in on-road
11 transportation fuels sold at retail in this Commonwealth.

12 (2) Improve air and water quality and reduce production
13 of greenhouse gases and other environmentally harmful
14 emissions in this Commonwealth.

15 (3) Promote energy independence.

1 (4) Stimulate this Commonwealth's economy by increasing
2 demand for homegrown alternative fuel, creating production
3 facility construction jobs and creating long-term
4 manufacturing jobs.

5 (5) Provide alternative fuel sources that can be used to
6 protect consumers in this Commonwealth, both individuals and
7 businesses, from the volatile and ever-increasing costs of
8 traditional fuel sources.

9 Section 3. Definitions.

10 The following words and phrases when used in this act shall
11 have the meanings given to them in this section unless the
12 context clearly indicates otherwise:

13 "Biodiesel." A renewable, biodegradable, mono alkyl ester
14 combustible liquid fuel that meets American Society for Testing
15 and Materials Specification D6751 or its successor standard,
16 Standard Specification for Biodiesel Fuel Blend Stock (B100) for
17 Middle Distillate Fuels.

18 "Department." The Department of Environmental Protection of
19 the Commonwealth.

20 "Ethanol." An ethyl alcohol that has a purity of at least
21 99%, exclusive of added denaturants, that adheres to all of the
22 following standards:

23 (1) It has been denatured in conformity with a method
24 approved by the Bureau of Alcohol, Tobacco, Firearms and
25 Explosives of the United States Department of Justice, as
26 specified in 27 CFR Pts. 20 (relating to distribution and use
27 of denatured alcohol and rum) and 21 (relating to formulas
28 for denatured alcohol and rum).

29 (2) It meets all of the requirements of American Society
30 for Testing and Materials Specification D4806 or its

1 successor standard, Standard Specification for Denatured Fuel
2 Ethanol for Blending with Gasolines for Use as Automotive
3 Spark-Ignition Engine Fuel.

4 "E85." A petroleum product that is a blend of agriculturally
5 derived denatured ethanol and gasoline or natural gasoline that
6 typically contains 85% ethanol by volume. E85 produced for use
7 as a motor fuel shall comply with American Society for Testing
8 and Materials Specification D5798 or its successor standard.

9 Section 4. Biodiesel content in diesel fuel sold for on-road
10 use.

11 (a) Volume standards.--The following standards shall apply:

12 (1) All diesel fuel sold or offered for sale in this
13 Commonwealth for use in on-road compression ignition engines
14 must contain at least 2% biodiesel by volume, one year after
15 in-State production volume of 30 million gallons of biodiesel
16 has been reached and sustained for three months on an
17 annualized basis.

18 (2) All diesel fuel sold or offered for sale in this
19 Commonwealth for use in on-road compression ignition engines
20 must contain at least 5% biodiesel by volume, one year after
21 in-State production volume of 75 million gallons of biodiesel
22 has been reached and sustained for three months on an
23 annualized basis.

24 (3) All diesel fuel sold or offered for sale in this
25 Commonwealth for use in on-road compression ignition engines
26 must contain at least 10% biodiesel by volume, one year after
27 in-State production volume of 150 million gallons of
28 biodiesel has been reached and sustained for three months on
29 an annualized basis, provided vehicle manufacturers recognize
30 engine warranties associated with the use of biodiesel blends

1 10% or greater.

2 (4) All diesel fuel sold or offered for sale in this
3 Commonwealth for use in on-road compression ignition engines
4 must contain at least 20% biodiesel by volume, one year after
5 in-State production volume of 300 million gallons of
6 biodiesel has been reached and sustained for three months on
7 an annualized basis, provided vehicle manufacturers recognize
8 engine warranties associated with the use of biodiesel blends
9 20% or greater.

10 (b) Coal-to-liquids substitution.--Nonsulfur diesel fuel
11 derived from coal can be used in place of biodiesel to meet the
12 requirements of this section provided the fuel's carbon
13 emissions are fully offset, either through carbon sequestration
14 or by participating in carbon offset programs as provided by
15 section 6(b)(1).

16 Section 5. Ethanol content in gasoline sold for on-road use.

17 (a) Ethanol content required.--All gasoline sold or offered
18 for sale in this Commonwealth for use in on-road internal
19 combustion engines must contain at least 10% ethanol by volume
20 within one year after the following conditions have been met:

21 (1) An in-State production volume of 200 million gallons
22 of ethanol has been reached and sustained for three months on
23 an annualized basis.

24 (2) The department and the Department of Transportation
25 have made a determination, after a public hearing process,
26 that infrastructure sufficient to accommodate the
27 distribution and sale of gasoline containing 10% ethanol by
28 volume is in place Statewide. In making this determination
29 the department and the Department of Transportation shall
30 assess rail capability Statewide, including terminal

1 facilities capable of handling volumes of ethanol sufficient
2 to meet the requirements of this act.

3 (b) Reporting required.--If the department and the
4 Department of Transportation determine that the necessary
5 infrastructure is not in place Statewide under subsection
6 (a)(2), the agencies shall, within 60 days following the
7 determination and annually thereafter, if necessary, report to
8 the Governor and the General Assembly as follows:

9 (1) Identify areas where necessary infrastructure is not
10 in place.

11 (2) Describe actions planned or being taken to install
12 the necessary infrastructure.

13 (3) Identify any impediments to the installation of the
14 necessary infrastructure.

15 (4) Make recommendations for the installation of the
16 necessary infrastructure.

17 (c) Gasoline ethanol blend standard.--A gasoline/ethanol
18 blend will be construed to be in compliance with this section if
19 the ethanol content, exclusive of denaturants and permitted
20 contaminants, is not less than 9.2% by volume and not more than
21 10% by volume of the blend as determined by an appropriate
22 United States Environmental Protection Agency or American
23 Society for Testing and Materials standard method of analysis of
24 alcohol/ether content in motor fuels.

25 (d) Construction.--Nothing in this section shall prohibit
26 the sale of E85 or gasoline with concentrations of ethanol
27 greater than 10%.

28 Section 6. Agency responsibilities.

29 (a) Department of Agriculture.--With the exception of
30 section 4(b), the Department of Agriculture shall ensure

1 compliance with this act and, in consultation with the
2 department and the Department of Transportation, promulgate
3 regulations as necessary to enforce the requirements of this
4 act.

5 (b) Department.--

6 (1) The department shall promulgate and ensure
7 compliance with regulations for achieving the carbon offset
8 requirements of section 4(b).

9 (2) The department shall conduct a study to evaluate the
10 effects this act has on the ability of this Commonwealth to
11 attain and maintain the National Ambient Air Quality
12 Standards.

13 Section 7. Effective date.

14 This act shall take effect immediately.