

SULFUR & BIOHEAT REQUIREMENTS FOR No. 2 HEATING OIL IN THE NORTHEAST & MID-ATLANTIC STATES *Updated: Nov. 13, 2014 (5:07pm ET)*

Send updates to Jim Collura jim.collura@nefi.com 202-441-8857

State	Sulfur	Bio-blend	Waiver Procedures	Important Notes
<p>Connecticut Contact: Chris Herb, CEMA chris@ctema.com Updated June 25, 2014</p>	<p>Previous: 2,000-3,000 PPM July 1, 2014: 500 PPM July 1, 2018: 15 PPM</p>	<p>NOTE: The below requirements were only go into effect if neighboring states establish similar requirements:</p> <p>July 1, 2011: 2% blend July 1, 2012: 5% Blend July 1, 2015: 10% Blend July 1, 2017: 15% Blend July 1, 2020: 20% Blend</p>	<p>Sulfur Waiver: DEEP Commissioner may suspend for up to 90 days sulfur requirement to address supply shortages. Requests must be submitted in writing to the Bureau of Air Management, Director of Engineering & Enforcement and must include a detailed statement describing the reason for the fuel shortage and the acute nature of the shortage (a fuel shortage may be of a type for firing in a particular emission source or generally throughout the state); a statement that the acute nature of the shortage is the only reason for the request; and a signature of a responsible official as described in RCSA §22a-174-2a(a). The DEEP commissioner shall notify within five days. Can be preempted when a Governor declares that an energy or fuel supply emergency exists.</p> <p>Bioheat Waiver: The Dept. of Consumer Protection can temporarily waive bio- blending requirements after receiving a petition from the Distillate Advisory Board for no less than 30 days and no more than 45 days. The waiver may be renewed if needed. (The state's Bioheat requirements only go into effect if MA, RI and NYS establish similar requirements).</p>	<p><i>Per sulfur regulations Table 19b-1:</i></p> <p>Residual oil (or bio-blend) July 1, 2014: 10,000 PPM July 1, 2018: 3,000 PPM</p> <p>Aviation fuel (used in a stationary source) July 1, 2014: 3,000 PPM July 1, 2014: 15 PPM</p> <p>Kerosene July 1, 2014: 400 PPM July 1, 2018: 15 PPM</p> <p>For complete details: Sulfur law: 296 CGS §16a-21a Sulfur regulations (adoption notice 12/23/2013): RCSA §22a-174-19b Bioheat law: 296 CGS §16a-21b New as of 5/21/14 – DEEP Guidance document New as of 6/25/14 – Conditional Waiver</p>
<p>Delaware Contact: Ellen Valentino, MAPDA ellen@mapda.org Updated March 20, 2014</p>	<p>Current (New Castle County Only): 10,000 PPM Current (State): 3,000 PPM July 1, 2016: 15 PPM</p>	<p>None.</p>	<p>Unknown.</p>	<p><i>Sulfur regulations also require:</i></p> <p>Residual fuel July 1, 2016: 5,000 PPM</p> <p>“Other Fuel” July 1, 2016: 10,000 PPM</p> <p>For complete details: Sulfur regulations (finalized 7/11/2013): 7 Del.C. §1108</p>
<p>District of Columbia Contact: Ellen Valentino, MAPDA ellen@mapda.org Updated July 7, 2014</p>	<p>Current: 10,000 PPM Proposed (6/20/14): July 1, 2016: 500 PPM July 1, 2018: 15 PPM</p>	<p>None.</p>	<p>Sulfur Waiver: The Department of the Environment, with concurrence of the U.S. EPA may temporarily suspend or increase the sulfur limits in the event there are supply constraints. The request must be made in writing and must state the reason compliant fuel is not available and the duration of the waiver requested. Non-compliant No. 2 Fuel Oil and lighter fuels under such a waiver may not exceed 500PPM (see proposed rule Sections 801.5 and 801.6).</p>	<p>Proposed Sulfur Rule: Notice #4959336 was published on June 20, 2014 and applies to No. 2 and lighter fuels. Comments are due July 19th. A public hearing is set for July 28th (details posted in Notice #4968066). The proposed rule also lowers sulfur content for heavy fuel oil as follows:</p> <p>No. 4 Fuel Oil July 1, 2016: 2,500PPM</p> <p>No. 5 Fuel Oil July 1, 2016: Banned (no known users in DC)</p>

DISCLAIMER: This document provides general information regarding the status of state sulfur and bio-blending requirements for heating oil. It is subject to revision and is *not* intended to provide guidance on legal or regulatory compliance obligations. Please consult with a qualified legal professional or contact the state association or regulatory agency for more information.

SULFUR & BIOHEAT REQUIREMENTS FOR No. 2 HEATING OIL IN THE NORTHEAST & MID-ATLANTIC STATES *Updated: Nov. 13, 2014 (5:07pm ET)*

Send updates to Jim Collura jim.collura@nefi.com 202-441-8857

<p>Maine Contact: Jamie Py, MEMA Jamie@MaineEnergyMarketers.com Updated March 20, 2014</p>	<p>Current: 3,000-5,000 PPM July 1, 2016: 50 PPM Jan. 1, 2018: 15 PPM</p>	<p>None. An April, 2011 state-mandated study did not recommend a bio mandate but suggested coordination nationally and regionally on related policies moving forward.</p>	<p>Unknown.</p>	<p>There are also sulfur requirements for residual oil affecting certain areas (see sulfur law for details). For complete details: Sulfur law: 38 MRS §603-A</p>
<p>Maryland Contact: Ellen Valentino, MAPDA ellen@mapda.org Updated Nov. 13, 2014</p>	<p>Current: None Nov. 1, 2014: 2,000 PPM July 1, 2016: 500 PPM</p>	<p>July 1, 2008: At least 50% of the oilheat equipment in use in state buildings is required to use at least a 5% biofuel blend. There is also a tax credit for the use of Bioheat fuels(see "important notes" on the right).</p>	<p>Unknown.</p>	<p>Approved sulfur regulations amend COMAR 03.03.05.04 effective Oct. 13, 2014 and apply to both No. 1 and No. 2 Fuel Oils. Bioheat Law: Md. STATE FINANCE AND PROCUREMENT Code Ann. § 14-408 Bioheat Tax Credit: Individuals & businesses may claim a tax credit of 3 cpq for 5% Bioheat blend, up to the lesser of \$500 or state income taxes for the year. The credit is available for the tax years beginning on or after Jan. 1, 2008, but before Jan. 1, 2018, and remains effective for 10 years, through June 30, 2018. See: Md. TAX-GENERAL Code Ann. § 10-727 (Summary)</p>
<p>Massachusetts Contact: Michael Ferrante, MEMA mferrante@massoilheat.org Updated June 27, 2014</p>	<p>Previous: 3,000 PPM July 1, 2014: 500 PPM July 1, 2018: 15 PPM</p>	<p>A 2008 Bioheat law has not been implemented. July 1, 2010: 2% Blend July 1, 2011: 3% Blend July 1, 2012: 4% Blend July 1, 2013: 5% Blend</p>	<p>Sulfur waiver: While there is no formal process under either the statute or existing regulations, the Governor has general authority to declare statewide emergencies. In the event of a supply shortage or other emergency, it is believed he will likely consult with state regulators and neighboring governors regarding possible suspension of sulfur requirements. MEMA has asked for additional guidance from DEP regarding the formalities or requesting such a waiver and other issues pertaining to the stat's HO sulfur reduction regulations. Bioheat Waiver: No explicit waiver authority was provided in the underlying statute. The law does allow delay of implementation due to "lack of supply, lack of blending facilities or unreasonable cost" (as mentioned, it has indeed been delayed and has neither been implemented nor enforced).</p>	<p>There are also new sulfur requirements for residual oil affecting certain areas (see sulfur regulations for details). For complete details: Sulfur regulations: 310 CMR 7.05 Bioheat law: MGL ch.94 §249H1/2(3) <i>New as of 5/28/14 – DEP Guidance Document</i> <i>New as of 6/27/14 – Conditional Waiver</i></p>
<p>New Hampshire Contact: Bob Scully, OHCNH RJSculley@nhoilheat.com Updated March 19, 2014</p>	<p>Current: 4,000 PPM (No other requirements)</p>	<p>None.</p>	<p></p>	<p></p>

DISCLAIMER: This document provides general information regarding the status of state sulfur and bio-blending requirements for heating oil. It is subject to revision and is *not* intended to provide guidance on legal or regulatory compliance obligations. Please consult with a qualified legal professional or contact the state association or regulatory agency for more information.

SULFUR & BIOHEAT REQUIREMENTS FOR No. 2 HEATING OIL IN THE NORTHEAST & MID-ATLANTIC STATES *Updated: Nov. 13, 2014 (5:07pm ET)*

Send updates to Jim Collura jim.collura@nefi.com 202-441-8857

<p>New Jersey Contact: Eric DeGesero, FMANJ edegesero@fmanj.org Updated March 20, 2014</p>	<p>Previous: 2,000-3,000 PPM July 1, 2014: 500 PPM July 1, 2016: 15 PPM</p>	<p>None. Bioheat legislation (S-2268) was introduced on July 18, 2013 but was not approved by the state legislature.</p>	<p>Unknown.</p>	<p>Sulfur regulations: N.J.A.C. 7:27-9.2 also require: No. 4 Fuel Oil July 1, 2014: 2,500 PPM No. 5, No. 6 and Heavier Fuel Oil July 1, 2014: 5,000 PPM</p>
<p>New York State Contact: Tom Peters, ESPA tpeters@espa.net Updated March 20, 2014</p>	<p>Previous: 2,500-5,000 July 1, 2012: 15 PPM* <small>*Per New York State law signed on 7/20/2010. Prior to that the sulfur limit was 2,000 PPM.</small></p>	<p>Bill was vetoed by Gov. Cuomo on 1/10/14 citing "financial impact" on the state budget due to an existing tax credit. It would have required 2% Blends in NYC, Nassau, Suffolk, Westchester & Rockland Counties by Oct. 1, 2014, and state-wide by July 1, 2015.</p>	<p>Sulfur Waiver: The governor may temporarily suspend sulfur requirements by executive order and at any time based on the determination, after consulting with NYSEDA, that compliance is not feasible due to lack of adequate supply.</p>	<p>Bioheat Tax Credit: New York also renewed a tax credit through 12/31/2016 that offers one cent per percent of biofuel used in heating oil up to a maximum of 20 cents per gallon. Sulfur law: UCC Law §19-0325 Bioheat law: AO7906 (vetoed on 1/10/2014)</p>
<p>New York City Contact: John Maniscalco nyoilheating@nyc.rr.com Updated March 20, 2014</p>	<p>Same as New York State</p>	<p>Oct. 1, 2012: 2% Blend (Applies to No. 2, 4 & 6)</p>	<p>Bioheat Waiver: The commissioner may provide waivers for certain types of boilers (or bioheating fuel for use with that boiler) if there is: (1) insufficient supply of needed bioheating fuel; (2) a high price for bioheating fuel that is at least 15% more than the price of a comparable fuel oil grade of 100% petroleum heating oil; (3) use of bioheating fuel would void manufacturer warranty; or (4) there is no applicable ASTM standard or other standard with respect to the bioheating fuel for the purposes of receiving bids and enforcing contracts. Other Waivers: Exemptions from NYC requirements for No. 4 and No. 6 oils are provided in the form of "compliance agreements" issued by the DEP.</p>	<p>Sulfur Law: NYC DEP Rule (5/11) also requires: No. 4 Residual Oil Oct. 1, 2012: 1,500 PPM Phase-out of No. 6 Residual Oil July 1, 2015: Use is no longer permitted, must switch to either No. 2 or No. 4 Fuel Oil. Phase-out of No. 4 Residual Oil January 1, 2030: Use no longer permitted. Must have converted to cleaner fuel or obtained an extension via NYC DEP "compliance agreement" Bioheat Law: NYC Local Law 43-2010 (8/2010)</p>
<p>Pennsylvania Contact: John Kulik joviku@aol.com Updated March 20, 2014</p>	<p>Current: 2,000-5,000 PPM* July 1, 2016: 500 PPM <small>*varies by in-state region.</small></p>	<p>None.</p>	<p>Sulfur Waiver: The DEQ may suspend or increase maximum sulfur content if it (A) receives a written request that includes the subject air basin, the reason that the fuel is not "reasonably available," and the duration of time for which the waiver is sought along with relevant justifications; (B) determines there is insufficient supply due to events that could not have been "reasonably foreseen or prevented" and are not due to a "lack of prudent planning" by the distributor; or (C) request is approved in writing prior to the transfer of noncompliant fuel oil into or with the air basin. The waiver to suspend or increase the allowable sulfur content is limited to 60 days.</p>	<p><i>For ASTM D396 compliant fuels, the sulfur regulations also require:</i> No. 4 Fuel Oil July 1, 2016: 2,500 PPM No. 5, No. 6 and heavier Fuel Oil July 1, 2016: 5,000 PPM For complete details: Sulfur regulations: 25 Pa. Code §123.22</p>

DISCLAIMER: This document provides general information regarding the status of state sulfur and bio-blending requirements for heating oil. It is subject to revision and is *not* intended to provide guidance on legal or regulatory compliance obligations. Please consult with a qualified legal professional or contact the state association or regulatory agency for more information.

SULFUR & BIOHEAT REQUIREMENTS FOR No. 2 HEATING OIL IN THE NORTHEAST & MID-ATLANTIC STATES *Updated: Nov. 13, 2014 (5:07pm ET)*

Send updates to Jim Collura jim.collura@nefi.com 202-441-8857

<p>Philadelphia Contact: John Kulik joviku@aol.com Updated July 30, 2014</p>	<p>Previous: 2,000 PPM July 1, 2015: 15 PPM</p>	<p>None.</p>	<p>Unknown.</p>	<p>Sulfur law (Bill No. 140510) signed by Mayor on July 15, 2014 applies to "No. 2 and lighter" Fuel Oil. It also requires the following: No. 4 Fuel Oil July 1, 2015: 2,500 PPM No. 5, No. 6 and Heavier Fuel Oil July 1, 2015: 5,000 PPM</p>
<p>Rhode Island Julie Gill, OHIRI julie@ohi.necoxmail.com Updated June 16, 2014</p>	<p>Previous: 5,000 PPM July 1, 2014: 500 PPM July 1, 2018: 15 PPM</p>	<p>July 1, 2014: 2% Blend July 1, 2015: 3% Blend July 1, 2016: 4% Blend July 1, 2017: 5% Blend</p>	<p>Sulfur Waivers: The Director may, upon application, defer compliance where it is not possible because of breakdowns or malfunction of equipment, acts of God, other unavoidable casualties or for good cause shown; provided that the order shall not defer compliance for more than three months. The Director shall notify the Administrator within five business days after issuing an order deferring compliance with subsection 8.2.1 (see subsection 8.7). Bioheat Waiver: The Governor may temporarily suspend the requirements if it is determined that the physical availability of bio-based heating oil 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."</p>	<p><i>The proposed sulfur regulations also require:</i> Residual oil (or bio-blend) July 1, 2018: 5,000 PPM For complete details: Sulfur regulations (Effective June 24, 2014): APC Regulation No. 8 Bioheat law: 23 RIGL §23-23.7</p>
<p>Vermont Matt Cota, VFDA matt@vermontfuel.com Updated June 16, 2014</p>	<p>Previous: 20,000 PPM July 1, 2014: 500 PPM July , 2018: 15 PPM</p>	<p>NOTE: Implementation has been delayed until surrounding states establish similar requirements. July 1, 2012: 3% Blend July 1, 2015: 5% Blend July 1, 2016: 7% Blend</p>	<p>Bioheat & Sulfur Waivers: The Governor, by executive order, may temporarily suspend implementation and enforcement of the sulfur or biodiesel blending requirements if it is determined, after consulting with the DEC Secretary and Public Services Commissioner, that the mandate is not feasible due to an inadequate supply of the required fuel. VFDA is seeking additional guidance from the governor and state regulators regarding implementation of these regulations.</p>	<p><i>The sulfur regulations also require:</i> No. 4 Residual oil July 1, 2018: 2,500 PPM No. 5 & No. 6 Residual oil July 1, 2018: 5,000 PPM For complete details: Sulfur & Bioheat Law: 10 VSA §585 Sulfur Regulations: APCR §5-221(1) (pp. 30-35) <i>New as of 6/16/14:</i> DEC/VFDA Guidance Doc</p>

DISCLAIMER: This document provides general information regarding the status of state sulfur and bio-blending requirements for heating oil. It is subject to revision and is *not* intended to provide guidance on legal or regulatory compliance obligations. Please consult with a qualified legal professional or contact the state association or regulatory agency for more information.