

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2015

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SENATE BILL 335

Short Title: Add Blendstock to Motor Fuel Marketing Act.

(Public)

Sponsors: Senator Hartsell (Primary Sponsor).

Referred to: Rules and Operations of the Senate.

March 19, 2015

A BILL TO BE ENTITLED

AN ACT TO ADD REQUIREMENTS PERTAINING TO BLENDSTOCKS TO THE MOTOR FUELS MARKETING ACT.

The General Assembly of North Carolina enacts:

SECTION 1.(a) G.S. 75-90(a)(1) is recodified as G.S. 75-90(a)(1a).

SECTION 1.(b) G.S. 75-90, as amended by Section 1(a) of this act, reads as rewritten:

"§ 75-90. Availability of gasoline suitable for blending with fuel alcohol; blender of record.

(a) The following definitions apply in this section:

(1) Blended Fuel. – Defined in G.S. 105-449.60.

(1a) Blender. – Defined in G.S. 105-449.60.

(1b) Blendstock. – A petroleum product intended for blending with fuel alcohol to produce blended fuel and that is not suitable for use as a fuel in a highway vehicle prior to blending.

(2) Distributor. – Defined in G.S. 105-449.60.

(3) Fuel Alcohol. – Defined in G.S. 105-449.60.

(4) Gasoline. – Defined in G.S. 105-449.60(22)a.

(5) Retailer. – Defined in G.S. 105-449.60.

(6) Supplier. – Defined in G.S. 105-449.60.

(b) A supplier that imports gasoline or blendstock into one or more terminals in the State shall comply with the following requirements:

(1) For each grade of gasoline imported to a terminal, the supplier shall offer each such grade of gasoline for sale to a distributor or retailer at that terminal that is not preblended with fuel alcohol and that is suitable for subsequent blending with fuel alcohol.

(2) For each grade of blendstock imported to a terminal, the supplier shall offer each such grade of blendstock for sale to a distributor or retailer at that terminal.

Nothing in this subsection is intended to require any supplier to offer for sale to a distributor or retailer a gasoline or blendstock that the supplier does not import into the State, or to authorize a retailer or distributor to offer for sale to the public any gasoline or blendstock that does not meet the minimum octane requirements or other fuel quality standards administered by the North Carolina Department of Agriculture and Consumer Services.

(c) The General Assembly finds that use of blended fuels reduces dependence on imported oil and is therefore in the public interest. The General Assembly further finds that



1 gasoline may be blended with fuel alcohol below the terminal rack by distributors and retailers
2 as well as above the terminal rack by suppliers and that there is no reason to restrict or prevent
3 blending by suppliers, distributors, or retailers. Therefore, any provision of any contract that
4 would restrict or prevent a distributor or retailer from blending gasoline with fuel alcohol or
5 from qualifying for any federal or State tax credit due to blenders is contrary to public policy
6 and is void. This subsection does not impair the obligation of existing contracts, but does apply
7 if such contract is modified, amended, or renewed.

8 (d) The Attorney General is authorized to investigate any allegation of a violation of
9 this section made by a supplier and any allegations of unfair competition by a supplier with
10 respect to the sale of products regulated by this section. If an investigation discloses a violation,
11 the Attorney General may exercise the powers set forth in G.S. 75-85 with respect to violations
12 of this Article."

13 **SECTION 2.** This act becomes effective October 1, 2015.