



H.B. 54

127th General Assembly
(As Introduced)

Reps. Foley, Fende, B. Williams, Miller, Garrison, Combs, Collier, Strahorn, Skindell

BILL SUMMARY

- Requires the Ohio Turnpike Commission to phase in the sale of blended biodiesel and E85 blend fuel at service stations located on the Ohio Turnpike beginning January 1, 2008.
- Permits the Ohio Turnpike Commission to apply for and receive grants under the Alternative Fuel Transportation Grant program and permits grants under the program to be used to pay for the purchase and installation of alternative fuel pumps.

CONTENT AND OPERATION

Sale of E85 blend fuel on the Ohio Turnpike

(R.C. 5537.29)

The bill requires the Ohio Turnpike Commission to make available for sale to the public both blended biodiesel and E85 blend fuel at all service stations located on the Ohio Turnpike. E85 blend fuel is an "alternative fuel" because it is neither gasoline nor diesel fuel. Instead, it is a motor vehicle fuel consisting of at least 85% ethanol (a type of alcohol) and 15% gasoline (R.C. 125.831(E), not in the bill).¹ "Blended biodiesel" is a blend of biodiesel with petroleum-based diesel fuel in which the resultant product contains not less than 20% biodiesel that meets the American Society for Testing and Materials specification for blended diesel fuel and any other standards that the Director of Administrative Services adopts by rule (R.C. 125.831(C), not in the bill). The Commission is required to make both

¹ However, the ethanol percentage can be as low as 70% if the U.S. Department of Energy determines by rule that the lower percentage is necessary to provide for the requirements of cold start, safety, or vehicle functions.

fuels available for sale to the public from at least one fuel pump at each service station underneath the fuel canopy according to the following schedule:

(1) Not later than January 1, 2008, both fuels must be available for sale at the six service stations that ranked first through sixth in terms of total gallons of gasoline sold during calendar year 2006 at the 14 service stations located on the turnpike.

(2) Not later than January 1, 2009, both fuels must be available for sale at the six service stations that ranked seventh through twelfth, as described above.

(3) Not later than January 1, 2010, both fuels must be available for sale at the remaining two service stations in the rankings and at any other service stations that are constructed on the turnpike after the bill's effective date, but before January 1, 2010.

In addition, subject to above item (3), each service station constructed after the bill's effective date that is located on the Ohio Turnpike or any other turnpike project of the Commission must have both fuels available for sale to the public upon commencement of business from at least one fuel pump at the service station underneath the fuel canopy.

The Commission must ensure that all service plazas that are located on turnpike projects and have service stations provide on-site visibility and promotion to both blended biodiesel and E85 blend fuel to a degree that is equal to or greater than the visibility and promotion the Commission provides for diesel fuel and gasoline.

The Executive Director of the Commission is required to consult with the Director of Development to find and evaluate possible funding sources to assist the Commission with the costs associated with the construction of the infrastructure needed for the sale of both fuels at turnpike project service stations.

Alternative Fuel Transportation Grant program

(R.C. 122.075)

Under current law, the Director of Development administers the Alternative Fuel Transportation Grant program, the purpose of which is to improve Ohio's air quality. Under the program, the Director may make grants to businesses, nonprofit organizations, public school systems, or local governments for the purchase and installation of alternative fuel refueling or distribution facilities and terminals, for the purchase and use of alternative fuel, and to pay the costs of educational and promotional materials and activities intended for prospective

alternative fuel consumers, fuel marketers, and others in order to increase the availability and use of alternative fuel.

Current law requires the Director of Development, in consultation with the Director of Agriculture, to adopt rules to administer the program. The rules must contain a requirement that the maximum grant for the purchase and installation of an alternative fuel refueling or distribution facility or terminal be 80% of the cost of the facility or terminal, except that at least 20% of the total net cost of the facility or terminal must be incurred by the grant recipient and not compensated for by any other source.

The bill makes the Ohio Turnpike Commission eligible to apply for and to receive grants under the program, and permits grants to be used to pay for the purchase and installation of alternative fuel pumps. Consistent with current law, the maximum grant for the purchase and installation of an alternative fuel pump is 80% of the cost of the pump, and at least 20% of the total net cost of such a pump must be incurred by the grant recipient and cannot be compensated for by any other source.

HISTORY

ACTION	DATE
Introduced	02-21-07

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