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Senate Environmental Resources and Energy Committee

Senator Mary Jo White Chairman

Patrick Henderson, Executive Director

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November 29, 2010

John Hanger, Chairman
Environmental Quality Board
15th Floor Rachel Carson Building
Harrisburg, PA 17105

Re: Proposed Rulemaking: Commercial Fuel Oil Sulfur Limits # 7-462

Dear Chairman Hanger:

I am writing to share with the Environmental Quality Board my comments concerning the above-referenced proposed rulemaking.

I am concerned that the lack of lead-in time for refiners to meet the proposed new sulfur limits of 15 ppm is unrealistic. Under the proposed regulation, the new sulfur limits would be in place for all commercial fuel oil sold on or after May 1, 2012. Given that this rulemaking would not be complete until, at the earliest, the summer of 2011, this provides less than a year for refiners to install the equipment and facilities necessary to meet this mandate. Other ultra-low sulfur mandates adopted by the Environmental Protection Agency, specifically for on-road and off-road diesel, allotted up to four years for full implementation. This lead in time was a recognition that such a significant change to the fuel oil specifications would take considerable time, effort and capital investment to complete.

In addition, while the effort to reduce the sulfur content of commercial fuel oil is laudable, I do not believe 15 ppm is appropriate. A more realistic approach is to consider 500 ppm, which would still amount to a nearly 90% sulfur content reduction from much of the commercial fuel oil currently sold in the Commonwealth. Moreover, this appears to be an achievable goal provided refiners are allotted lead-in time to comply with any new mandate.

As you know, should a 15 ppm sulfur content standard be adopted for home-heating fuel, we would essentially have a universal fuel that can be used for on-road, off-road and home/commercial use. While this may seem appealing, I am very concerned about the impact such a scenario may have on supply and demand. Pennsylvania homeowners who rely on home heating fuel to heat their homes would be impacted by both the price and availability of fuel, as marketers seek to sell their product to the highest bidder. I encourage the Board to give considerable thought to the impact of this rulemaking on the ability of homeowners to heat their homes affordably.

Thank you for your consideration of these comments.

Sincerely,

Mary Jo White, Chairman
Senate Environmental Resources
& Energy Committee

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