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Comments from Mr. Howard Peterson at Public Hearing #2 on the Department of Energy Resources Draft Regulations and Guidelines for the Renewable Thermal Energy Credits for Biofuels Under the Commonwealth's Alternative Energy Portfolio Standard (APS)

Thank you for the opportunity to present my observations, thoughts and some recommendations on the Alternative Energy Portfolio Standard.

First, I would like to introduce myself. My name is Howard Peterson. I am President of Peterson's Oil Service in Worcester, Massachusetts. I am a life long resident of the Commonwealth, and the Worcester community. I graduated from Worcester Academy, and served as the school's Treasurer. I am a graduate of Rensselaer Polytechnic Institute, in Troy, N. Y. with a degree in Mechanical Engineering.

I am currently the third generation of the Peterson family, serving consumers in Central Massachusetts. Peterson's Oil Service has become one of the preeminent distributors of energy in Central Massachusetts. Our light blue delivery trucks are a landmark in Central Massachusetts.

I am also the current Treasurer of The Worcester County Horticultural Society, the home of Tower Hill Botanic Garden. I am the Past Chairman of the New England Fuel Institute (NEFI), which is headquartered in Lexington, Massachusetts and represents all six states on a number of regulatory and legislative issues. I continue to represent NEFI at the Petroleum Marketers Association of America (PMAA), a 48 state energy marketing association in Washington, DC. I am a current member and past Board Member of the Massachusetts Energy Marketers Association (MEMA). I am current board member for the Connecticut Energy Marketers Association (CEMA). I am also a board member of the Oil Heat Institute of Rhode Island, whose Chairwoman is an employee of Peterson's Oil Service.

I am a voting member of the American Society of Testing Materials (ASTM), whose standards for testing are worldwide benchmarks for quality and integrity. ASTM voted in February 2015 to amend Standard 396 for heating oil to include a table for B-20 bio-diesel blended into heating oil.

I am proud to report to you, that Peterson's Oil Service has been delivering blends of ASTM D 6751 biodiesel to our customers for several years. I can attest that the Bioheat Fuel Oil that has been introduced to our customers has had a number of positive effects on their lives. Blends of Bioheat that are delivered within the range of the new ASTM standard help our customers reduce greenhouse gas emissions from their homes. They burn cleaner for longer periods of time creating higher

levels of home heating efficiency with reduced maintenance intervals and costs. In recent months, Biodiesel manufactured from waste vegetable oil has been less expensive than petroleum based fuel of comparable quality. This has allowed our customers to participate with the "Green Revolution" without a large capital investment in their homes. In fact, Bioheat fuel oil can be used in existing home heating equipment without any modifications. In addition to the cleaner air, lower carbon emissions Biodiesel manufactured from waste vegetable oil has removed millions of tons of waste from our landfills and other waste streams. All of this has occurred with total private investments in the New England region, and has increased employment as well.

As to the proposed regulations and the guidelines that accompany them, I would like to add to the record my own personal observations. My opinions and observations are mine alone, and may not be representative of any organization or group with whom I am associated.

I agree with the definition of Liquid Biofuel as defined in Chapter 206 of the Session Laws of the General Court of Massachusetts of 2008. In section 16.02 of the proposed Standard, an additional restriction as been added to the definition. The sentence "A liquid fuel that is derived from organic waste feedstocks that originate in a jurisdiction with a waste disposal ban in place equivalent or similar to the restrictions placed on Commercial Organic Materials in 310 CMR 19.017(3); Table as determined by the department in consultation with the MassDEP" should be eliminated.

The above restriction will be costly to document. It will reduce the effect of the Commonwealth to create a safer cleaner planet environment because we all know that dirty air, dirty water and global warming emissions do not stay where they originate. The General Court has passed legislation urging that we do all we can to clean the environment and reduce global warming emissions. Limiting the collection of waste to jurisdictions that indicated they agree with our General Court will only delay the day when our planet is cleaner and safer. Our Commonwealth has taken a leadership position on this issue, and these regulations should not restrict or delay the day when the Baker-Polito can announce that meaningful progress has been achieved in the energy and environmental areas of our economy.

In addition, I recommend a change in Section 6, paragraph a, section vii of the standards that reference a blend level of Eligible Liquid biofuels of at least 20% by volume of the Eligible fuel. The latest, more environmentally protective standard for fuel oils approved by ASTM is D396 Table 15c, which allows the inclusion of blends of 6 to 20% of ASTM 6751 Biodiesel into Petroleum based fuel oil. I would recommend that the APS limit the blend level to the maximum level of the current ASTM standard. The standards may want place a floor on the minimum blend level of 50% or 75% of the maximum level of ASTM standard. The Standard may want to raise the level of the blend level as the allowed levels of ASTM D396 are expanded in future tables.

The department may find that requiring blend levels greater than those tested and approved by third parties such as ASTM would create a new level of product liability issues. I am not an attorney, nor have I had legal training, so I can only make an observation better reviewed by others wiser and more knowledgeable than I.

There are other references in the guidance documents that refer to other tables of

issue, because the D(6) designation in the 32 digit RIN number identifies product produced that meets the EPA designation as an advanced biofuel. However, the department's definition of Eligible feedstocks does not include all of the feedstocks approved by the EPA. The department has a dual mandate not only to reduce Greenhouse gas emissions, but also to reduce the volume of material entered into the waste stream that ultimately enters the landfills in the Commonwealth. Therefore, producers of Eligible Liquid Biofuel will need to have an additional designation from the department. I would recommend that each plant demonstrate once that it can isolate and authenticate that the percentage of its feedstock meets the department's definition of Eligible feedstocks. This would be a different and less costly process from the EPA process that creates a tracking number for each batch of biodiesel produced.

I would request that as more details are of the Guidance are published, our industry is given an opportunity to comment on them.

In closing, I want to commend the Baker-Polito administration for bringing this program closer to implementation. I look forward to standing shoulder to shoulder with you as we all demonstrate to the world how we can live in a dynamic, clean, green and thriving Commonwealth.

Howard Peterson