



Biofuels Statutory Citations

STATE OF SOUTH CAROLINA

This project was undertaken in partnership with the USDA Office of the Chief Economist, The Office of Energy Policy and New Uses. For information on the full project, visit [States' Biofuels Statutory Citations](#).

Current through the 2013 Legislative Session of the South Carolina General Assembly.

§ 39-41-235. Sale of not already preblended petroleum products; sale of not already preblended diesel fuel; blender of record status and registration; Renewable Identification Number system used; violation deemed unfair trade practice; wholesaler responsibilities; liability; notice.

(A) Regardless of other products offered, every terminal, as defined in [Section 12-28-110\(56\)](#), located within the State, every terminal operator as defined in [Section 12-28-110\(58\)](#), must offer for sale all grades of petroleum products that are not already preblended with ethanol and that are suitable for subsequent blending of the product with ethanol. Every supplier as defined in [Section 12-28-110\(53\)](#), permissive supplier as defined in [Section 12-28-110\(43\)](#), refiner as defined in [Section 12-28-110\(49\)](#), or any other person or entity who is involved in the bulk transfer of motor fuel as defined in [Section 12-28-110\(8\)](#) are responsible for ensuring that every terminal located in this State and every terminal operator are delivered the products set forth in this section.

(B) Regardless of other products offered, every terminal, as defined in [Section 12-28-110\(56\)](#), located within the State, every terminal operator as defined in [Section 12-28-110\(58\)](#), must offer for sale all grades of diesel fuel that are not already preblended to produce biodiesel or a biodiesel blend and that are suitable for subsequent blending to produce biodiesel or biodiesel blends. Every supplier as defined in [Section 12-28-110\(53\)](#), permissive supplier as defined in [Section 12-28-110\(43\)](#), refiner as defined in [Section 12-28-110\(49\)](#), or any other person or entity who is involved in the bulk transfer of motor fuel as defined in [Section 12-28-110\(8\)](#) are responsible for ensuring that every terminal located in this State and terminal operator in this State are delivered the products set forth in this section.

(C) A terminal or terminal operator shall not offer for sale an unblended product that omits any additive found in a product preblended with ethanol. A terminal or terminal operator shall not offer for sale an unblended product that does not contain a comparable amount of any additive found in a product preblended with ethanol. Every supplier, permissive supplier, refiner, or any other person or entity who is involved in the bulk transfer of motor fuel are responsible for ensuring that the products set forth in this statute are delivered to every terminal and every terminal operator located in this State with which they have a contract.

(D) No person or entity shall take an action to deny a distributor, as defined in [Section 12-28-110\(17\)](#), or retailer, as defined in [Section 12-28-110\(52\)](#) who is doing business in this State and who has registered

with the Internal Revenue Service on Form 637 (M) from being the blender of record afforded them by the acceptance by the Internal Revenue Service of Form 637 (M).

(E) A distributor or retailer and a refiner must utilize the Renewable Identification Number (RIN) system. Nothing in this section may be construed to imply a market value for the RINs.

(F) A violation of this article is deemed an unfair trade practice, and each violation is a separate offense. A person or entity violating the provisions of this article is guilty of a misdemeanor and, upon conviction, must be fined not more than five thousand dollars for each violation. It shall not be a violation of this article when compliance is hindered by any catastrophic event outside the control of the person or entity such as a natural disaster, severe weather event, act of God, or acts of terrorism, fire, war, or riot.

(G) Wholesalers purchasing gasoline, gasoline blending stock, or diesel are responsible for ensuring that their activities result in gasolines and diesels that meet the standards promulgated by the Commissioner of Agriculture. Refiners, suppliers, and permissive suppliers shall not be liable for fines, penalties, injuries, or damages arising out of the subsequent blending of gasoline, gasoline blending stock, or diesel pursuant to this section. An entity that does not blend the product at issue has no duty with respect to blending and shall not be liable for fines, penalties, injuries, or damages arising out of blending that does not meet those standards. A refiner, supplier, wholesaler, or retailer is not liable for damages caused by the use of incompatible motor fuel dispensed at a retail site if all of the following applies:

- (1) the incompatible fuel meets the standards promulgated by the Commissioner of Agriculture;
- (2) the incompatible fuel is selected by a person other than the retailer, including an employee or agent of the retailer; and
- (3) the incompatible fuel is dispensed from a motor fuel dispenser that correctly labels the type of fuel dispensed.

For the purposes of this subsection, a motor fuel is incompatible with a motor according to the manufacturer of the motor.

(H) An entity that purchases an unblended product and subsequently blends that product with ethanol or biodiesel shall provide notice to the purchasing entity's consumers, at the pump or another prominent location near the pump, identifying the entity that performed the blending.

Credits HISTORY: [2010 Act No. 147, § 2, eff April 15, 2010](#), subsections (A) and (B) eff 60 days after approval by the Governor (Governor's veto overridden April 15, 2010); [2012 Act No. 185, § 1, eff June 7, 2012](#).