

**239.791 OXYGENATED GASOLINE.**

Subdivision 1. **Minimum ethanol content required.** (a) Except as provided in subdivisions 10 to 14, a person responsible for the product shall ensure that all gasoline sold or offered for sale in Minnesota must contain at least the quantity of ethanol required by clause (1) or (2), whichever is greater:

(1) 10.0 percent denatured ethanol by volume; or

(2) the maximum percent of denatured ethanol by volume authorized in a waiver granted by the United States Environmental Protection Agency.

(b) For purposes of enforcing the minimum ethanol requirement of paragraph (a), clause (1), a gasoline/ethanol blend will be construed to be in compliance if the ethanol content, exclusive of denaturants and other permitted components, comprises not less than 9.2 percent by volume and not more than 10.0 percent by volume of the blend as determined by an appropriate United States Environmental Protection Agency or American Society of Testing Materials standard method of analysis of alcohol/ether content in engine fuels.

(c) The provisions of this subdivision are suspended during any period of time that subdivision 1a, paragraph (a), is in effect.

Subd. 1a. **Minimum ethanol content required.** (a) Except as provided in subdivisions 10 to 14, on August 30, 2013, and thereafter, a person responsible for the product shall ensure that all gasoline sold or offered for sale in Minnesota must contain at least the quantity of ethanol required by clause (1) or (2), whichever is greater:

(1) 20 percent denatured ethanol by volume; or

(2) the maximum percent of denatured ethanol by volume authorized in a waiver granted by the United States Environmental Protection Agency.

(b) For purposes of enforcing the minimum ethanol requirement of paragraph (a), clause (1), a gasoline/ethanol blend will be construed to be in compliance if the ethanol content, exclusive of denaturants and other permitted components, comprises not less than 18.4 percent by volume and not more than 20 percent by volume of the blend as determined by an appropriate United States Environmental Protection Agency or American Society of Testing Materials standard method of analysis of alcohol content in motor fuels.

(c) This subdivision expires on December 31, 2012, if by that date:

(1) the commissioner of agriculture certifies and publishes the certification in the State Register that at least 20 percent of the volume of gasoline sold in the state is denatured ethanol; or

(2) federal approval has not been granted under paragraph (a), clause (1). The United States Environmental Protection Agency's failure to act on an application shall not be deemed approval under paragraph (a), clause (1), or a waiver under section 211(f)(4) of the Clean Air Act, United States Code, title 42, section 7545, subsection (f), paragraph (4).

Subd. 2. [Repealed, 1993 c 250 s 3]

Subd. 2a. **Federal Clean Air Act waivers; conditions.** (a) Before a waiver granted by the United States Environmental Protection Agency under section 211(f)(4) of the Clean Air Act, United States Code, title 42, section 7545, subsection (f), paragraph (4), may alter the minimum

content level required by subdivision 1, paragraph (a), clause (2), or subdivision 1a, paragraph (a), clause (2), the waiver must:

(1) apply to all gasoline-powered motor vehicles irrespective of model year; and

(2) allow for special regulatory treatment of Reid vapor pressure under Code of Federal Regulations, title 40, section 80.27, paragraph (d), for blends of gasoline and ethanol up to the maximum percent of denatured ethanol by volume authorized under the waiver.

(b) The minimum ethanol requirement in subdivision 1, paragraph (a), clause (2), or subdivision 1a, paragraph (a), clause (2), shall, upon the grant of the federal waiver, be effective the day after the commissioner of commerce publishes notice in the State Register. In making this determination, the commissioner shall consider the amount of time required by refiners, retailers, pipeline and distribution terminal companies, and other fuel suppliers, acting expeditiously, to make the operational and logistical changes required to supply fuel in compliance with the minimum ethanol requirement.

Subd. 2b. **Limited liability waiver.** No motor fuel shall be deemed to be a defective product by virtue of the fact that the motor fuel is formulated or blended pursuant to the requirements of subdivision 1, paragraph (a), clause (2), or subdivision 1a, under any theory of liability except for simple or willful negligence or fraud. This subdivision does not preclude an action for negligent, fraudulent, or willful acts. This subdivision does not affect a person whose liability arises under chapter 115, water pollution control; 115A, waste management; 115B, environmental response and liability; 115C, leaking underground storage tanks; or 299J, pipeline safety; under public nuisance law for damage to the environment or the public health; under any other environmental or public health law; or under any environmental or public health ordinance or program of a municipality as defined in section 466.01.

Subd. 2c. **Fuel dispensing equipment; blends over ten percent ethanol.** Notwithstanding any other law or rule, fuel dispensing equipment authorized to dispense fuel under subdivision 1, paragraph (a), clause (1), is authorized to dispense fuel under subdivision 1, paragraph (a), clause (2), or subdivision 1a.

Subd. 3. **Blending restriction.** When gasoline contains an oxygenate, a person responsible for the product shall not blend the product with ethanol or with any other oxygenate after it is transferred or otherwise removed from a refinery or terminal.

Subd. 4. [Repealed, 1995 c 220 s 141]

Subd. 5. [Repealed, 1995 c 220 s 141]

Subd. 6. [Repealed, 1995 c 220 s 141]

Subd. 7. **Ethanol records; state audit.** The director shall audit the records of registered ethanol blenders to ensure that each blender has met all requirements in this chapter. Specific information or data relating to sales figures or to processes or methods of production unique to the blender or that would tend to adversely affect the competitive position of the blender must be only for the confidential use of the director, unless otherwise specifically authorized by the registered blender.

Subd. 8. **Disclosure.** A refinery or terminal, shall provide, at the time gasoline is sold or transferred from the refinery or terminal, a bill of lading or shipping manifest to the person who receives the gasoline. For oxygenated gasoline, the bill of lading or shipping manifest must

include the identity and the volume percentage or gallons of oxygenate included in the gasoline, and it must state: "This fuel contains an oxygenate. Do not blend this fuel with ethanol or with any other oxygenate." For nonoxygenated gasoline sold or transferred after September 30, 1997, the bill or manifest must state: "This fuel is not oxygenated. It must not be sold at retail in Minnesota." This subdivision does not apply to sales or transfers of gasoline between refineries, between terminals, or between a refinery and a terminal.

Subd. 9. [Repealed, 1995 c 220 s 141]

Subd. 10. **Exemption for airport.** A person responsible for the product may offer for sale, sell, or dispense at an airport, for use in airplanes, gasoline that is not oxygenated in accordance with subdivision 1 if the gasoline is unleaded premium grade as defined in section 239.751, subdivision 4.

Subd. 10a. **Exemption for resorts, marinas, and houseboat rental companies.** A person responsible for the product may offer for sale, sell, or dispense at a resort, marina, or houseboat rental company gasoline that is not oxygenated in accordance with subdivision 1 if the gasoline has an octane rating of 87 or higher; is delivered into onsite bulk storage; and is not used for a licensed motor vehicle as defined in section 168.002, subdivision 18.

Subd. 11. **Exemption for motor sports racing.** A person responsible for the product may offer for sale, sell, or dispense at a public or private racecourse, gasoline that is not oxygenated in accordance with subdivision 1 if the gasoline is intended to be used exclusively as a fuel for off-highway motor sports racing events.

Subd. 12. **Exemption for collector vehicle and off-road use.** (a) A person responsible for the product may offer for sale, sell, or dispense at a retail gasoline station for use in collector vehicles or vehicles eligible to be licensed as collector vehicles, off-road vehicles, motorcycles, boats, snowmobiles, or small engines, gasoline that is not oxygenated in accordance with subdivision 1 if the person meets the conditions in paragraphs (b) to (e). If the nonoxygenated gasoline is for use in a small engine, it must be dispensed into a can with a capacity of six or fewer gallons.

(b) The nonoxygenated gasoline must be unleaded premium grade as defined in section 239.751, subdivision 4.

(c) No more than one storage tank on the premises of the retail gasoline station may be used for storage of the nonoxygenated gasoline offered for sale, sold, or dispensed by the station.

(d) The pump stands must be posted with a permanent notice stating: "NONOXYGENATED GASOLINE. FOR USE IN COLLECTOR VEHICLES OR VEHICLES ELIGIBLE TO BE LICENSED AS COLLECTOR VEHICLES, OFF-ROAD VEHICLES, MOTORCYCLES, BOATS, SNOWMOBILES, OR SMALL ENGINES ONLY."

This notice must be posted at least two feet above the ground. A retail gasoline station that sells nonoxygenated premium gasoline as defined in section 239.791, subdivision 15, must register every two years with the director, or an entity appointed by the director, on forms approved by the director, the total amount of nonoxygenated premium gasoline sold annually.

Subd. 13. **Exemption for certain riparian landowners.** (a) A person responsible for the product may offer for sale, sell, and deliver directly to a bulk fuel storage tank gasoline that is not oxygenated in accordance with subdivision 1 if the conditions in paragraphs (b) to (e) are met.

(b) The nonoxygenated gasoline must be unleaded premium grade as defined in section 239.751, subdivision 4.

(c) The bulk fuel storage tank must be stationary or permanent.

(d) The bulk fuel storage tank must be under the control of an owner of littoral or riparian property and located on that littoral or riparian property.

(e) The nonoxygenated gasoline must be purchased for use in vehicles that would qualify for an exemption under subdivision 12, paragraph (a).

**Subd. 14. Exemption for aircraft operator.** A person responsible for the product may offer for sale, sell, and deliver directly to a bulk fuel storage tank gasoline that is not oxygenated in accordance with subdivision 1 for use in aircraft if the nonoxygenated gasoline is unleaded premium grade as defined in section 239.751, subdivision 4.

**Subd. 15. Exemption for certain blend pumps.** (a) A person responsible for the product, who offers for sale, sells, or dispenses nonoxygenated premium gasoline under one or more of the exemptions in subdivisions 10 to 14, may sell, offer for sale, or dispense oxygenated gasoline that contains less than the minimum amount of ethanol required under subdivision 1 if all of the following conditions are met:

(1) the blended gasoline has an octane rating of 88 or greater;

(2) the gasoline is a blend of oxygenated gasoline meeting the requirements of subdivision 1 with nonoxygenated premium gasoline;

(3) the blended gasoline contains not more than ten percent nonoxygenated premium gasoline;

(4) the blending of oxygenated gasoline with nonoxygenated gasoline occurs within the gasoline dispenser; and

(5) the gasoline station at which the gasoline is sold, offered for sale, or delivered is equipped to store gasoline in not more than two storage tanks.

(b) This subdivision applies only to those persons who met the conditions in paragraph (a), clauses (1) through (5), on August 1, 2004, and registered with the director by November 1, 2004.

**Subd. 16. Exemption for recreational vehicle manufacturer.** A person responsible for the product may offer for sale, sell, or dispense gasoline that is not oxygenated according to subdivision 1 if the gasoline is intended to be used exclusively for research and development by a manufacturer of snowmobiles, all-terrain vehicles, motorcycles, or recreational vehicles.

**History:** 1992 c 575 s 29; 1993 c 250 s 1; 1993 c 369 s 73,74; 1995 c 220 s 116; 1996 c 354 s 8-11; 1999 c 231 s 174-177; 2000 c 434 s 2; 2003 c 107 s 30; 2004 c 189 s 3,4; 2005 c 10 art 1 s 39; 2005 c 52 s 1,2; 1Sp2005 c 1 art 4 s 69-72; 2008 c 350 art 1 s 79,80; 2009 c 94 art 1 s 90,91; 2010 c 333 art 1 s 17-21; 2011 c 107 s 96