

By: Representative Franks

To: Conservation and Water Resources

HOUSE BILL NO. 1196

1 AN ACT TO REQUIRE THAT EACH REFINER AND MAJOR MARKETER OF
2 PETROLEUM PRODUCTS SUBMIT CERTAIN INFORMATION TO THE OFFICE OF
3 CONSUMER PROTECTION WITHIN THE ATTORNEY GENERAL'S OFFICE; TO
4 AUTHORIZE THE OFFICE OF CONSUMER PROTECTION TO MONITOR THE PROCESS
5 OF REPORTING THE INFORMATION; TO PROVIDE FOR CIVIL PENALTIES FOR
6 THOSE PERSONS WHO FAIL TO MAKE REPORTS; AND FOR RELATED PURPOSES.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

8 **SECTION 1.** The Legislature finds and determines that the
9 petroleum industry is an essential element of the Mississippi
10 economy and is therefore of vital importance to the health and
11 welfare of all Mississippians.

12 The Legislature further finds and determines that a
13 complete and thorough understanding of the operations of the
14 petroleum industry is required by state government at all times to
15 enable it to respond to possible shortages, oversupplies, or other
16 disruptions and to assess whether all consumers, including
17 emergency service agencies, state and local government agencies,
18 and agricultural and business consumers of petroleum products have
19 adequate and economic supplies of fuel.

20 The Legislature further finds and determines that
21 information and data concerning all aspects of the petroleum
22 industry, including, but not limited to, crude oil production,
23 production and supplies of finished branded and unbranded
24 gasoline, supplies of diesel fuel and other distillates, supplies
25 of blendstocks used to make gasoline and other refined products,
26 refining, product output, exports of finished gasoline, diesel
27 fuel, and blendstocks, prices, distribution, demand, and
28 investment choices and decisions are essential for the state to

29 develop and administer energy policies that are in the interest of
30 the state's economy and the public's well-being.

31 **SECTION 2.** (1) Each refiner and major marketer shall
32 submit information each month to the Office of Consumer Protection
33 within the Attorney General's Office in such form and extent as
34 the Office of Consumer Protection prescribes under this section.
35 The information shall be submitted within thirty (30) days after
36 the end of each monthly reporting period and shall include the
37 following:

38 (a) Refiners shall report, for each of their
39 refineries, feedstock inputs, origin of petroleum receipts,
40 imports of finished petroleum products and blendstocks, by type,
41 including the source of those imports, exports of finished
42 petroleum products and blendstocks, by type, including the
43 destination of those exports, refinery outputs, refinery stocks,
44 and finished product supply and distribution, including all
45 gasoline sold unbranded by the refiner, blender, or importer; and

46 (b) Major marketers shall report on petroleum product
47 receipts and the sources of these receipts, inventories of
48 finished petroleum products and blendstocks, by type,
49 distributions through branded and unbranded distribution networks,
50 and exports of finished petroleum products and blendstocks, by
51 type, from the state.

52 (2) Each major oil producer, refiner, marketer, oil
53 transporter, and oil storer shall annually submit information to
54 the Office of Consumer Protection in such form and extent as the
55 Office of Consumer Protection prescribes under this section. The
56 information shall be submitted within thirty (30) days after the
57 end of each reporting period, and shall include the following:

58 (a) Major oil transporters shall report on petroleum
59 by reporting the capacities of each major transportation system,
60 the amount transported by each system, and inventories thereof.

61 The Office of Consumer Protection may prescribe rules and

62 regulations that exclude pipeline and transportation modes
63 operated entirely on property owned by major oil transporters from
64 the reporting requirements of this section if the data or
65 information is not needed to fulfill the purposes of this act.

66 (b) Major oil storers shall report on storage
67 capacity, inventories, receipts and distributions, and methods of
68 transportation of receipts and distributions.

69 (c) Major oil producers shall, with respect to
70 thermally enhanced oil recovery operations, report annually by
71 designated oil field, the monthly use, as fuel, of crude oil and
72 natural gas.

73 (d) Refiners shall report on facility capacity, and
74 utilization and method of transportation of refinery receipts and
75 distributions.

76 (e) Major oil marketers shall report on facility
77 capacity and methods of transportation of receipts and
78 distributions.

79 (3) Each person required to report under subsection (1) of
80 this section shall submit a projection each month of the
81 information to be submitted under subsection (1) for the quarter
82 following the month in which the information is submitted to the
83 Office of Consumer Protection.

84 (4) The Office of Consumer Protection may by order or
85 regulation modify the reporting period as to any individual item
86 of information setting forth in the order or regulation its reason
87 for so doing.

88 (5) The Office of Consumer Protection may request
89 additional information as necessary to perform its
90 responsibilities under this act.

91 (6) Any person required to submit information or data under
92 this act, in lieu thereof, may submit a report made to any other
93 governmental agency, if:

94 (a) The alternate report or reports contain all of
95 the information or data required by specific request under this
96 act; and

97 (b) The person clearly identifies the specific
98 request to which the alternate report is responsive.

99 (7) Each refiner shall submit to the Office of Consumer
100 Protection, within thirty (30) days after the end of each monthly
101 reporting period, all of the following information in such form
102 and extent as the Office of Consumer Protection prescribes:

103 (a) Monthly Mississippi weighted average prices and
104 sales volumes of finished leaded regular, unleaded regular, and
105 premium motor gasoline sold through company-operated retail
106 outlets, to other end-users, and to wholesale customers.

107 (b) Monthly Mississippi weighted average prices and
108 sales volumes for residential sales, commercial and institutional
109 sales, industrial sales, sales through company-operated retail
110 outlets, sales to other end-users, and wholesale sales of No. 2
111 diesel fuel and No. 2 fuel oil.

112 (c) Monthly Mississippi weighted average prices and
113 sales volumes for retail sales and wholesale sales of No. 1
114 distillate, kerosene, finished aviation gasoline, kerosene-type
115 jet fuel, No. 4 fuel oil, residual fuel oil with 1 percent (1%) or
116 less sulfur, residual fuel oil with greater than 1 percent (1%)
117 sulfur and consumer grade propane.

118 (i) 1. An oil refiner, oil producer,
119 petroleum product transporter, petroleum product marketer,
120 petroleum product pipeline operator, and terminal operator, as
121 designated by the Office of Consumer Protection, shall submit a
122 report in the form and extent as the Office of Consumer Protection
123 prescribes under this section. The Office of Consumer Protection
124 may determine the form and extent necessary by order or by
125 regulation.

126 2. A report may include any of the
127 following information:

128 (a) Receipts and inventory levels of
129 crude oil and petroleum products at each refinery and terminal
130 location.

131 (b) Amount of gasoline, diesel, jet
132 fuel, blending components, and other petroleum products imported
133 and exported.

134 (c) Amount of gasoline, diesel, jet
135 fuel, blending components, and other petroleum products
136 transported intrastate by marine vessel.

137 (d) Amount of crude oil imported,
138 including information identifying the source of the crude oil.

139 (e) The regional average of invoiced
140 retailer buying price. This subparagraph does not either preclude
141 or augment the current authority of the Office of Consumer
142 Protection to collect additional data under subsection (5) of this
143 section.

144 **SECTION 3.** (a) The Office of Consumer Protection shall
145 notify those persons who have failed to timely provide the
146 information specified in Section 2 of this act. If, within five
147 (5) days after being notified of the failure to provide the
148 specified information, the person fails to supply the specified
149 information, the person shall be subject to a civil penalty of not
150 less than five hundred dollars (\$500.00) nor more than two
151 thousand dollars (\$2,000.00) per day for each day the submission
152 of information is refused or delayed, unless the person has timely
153 filed objections with the Office of Consumer Protection regarding
154 the information and the Office of Consumer Protection has not yet
155 held a hearing on the matter, or the Office of Consumer Protection
156 has held a hearing and the person has properly submitted the issue
157 to a court of competent jurisdiction for review.

158 (b) Any person who willfully makes any false statement,

159 representation, or certification in any record, report, plan, or
160 other document filed with the Office of Consumer Protection shall
161 be subject to a civil penalty not to exceed two thousand dollars
162 (\$2,000.00).

163 **SECTION 4.** This act shall take effect and be in force from
164 and after July 1, 2005.