

By: Representative Franks

To: Conservation and Water Resources; Oil, Gas and Other Minerals

HOUSE BILL NO. 880

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 complete
13 and thorough understanding of the operations of the petroleum
14 industry is required by state government at all times to enable it
15 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 information
21 and data concerning all aspects of the petroleum industry,
22 including, but not limited to, crude oil production, production
23 and supplies of finished branded and unbranded gasoline, supplies
24 of diesel fuel and other distillates, supplies of blendstocks used
25 to make gasoline and other refined products, refining, product
26 output, exports of finished gasoline, diesel fuel, and
27 blendstocks, prices, distribution, demand, and investment choices
28 and decisions are essential for the state to develop and

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

31 **SECTION 2.** (1) Each refiner and major marketer shall submit
32 information each month to the Office of Consumer Protection within
33 the Attorney General's Office in such form and extent as the
34 Office of Consumer Protection prescribes under this section. The
35 information shall be submitted within thirty (30) days after the
36 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 by
59 reporting the capacities of each major transportation system, the
60 amount transported by each system, and inventories thereof. The
61 Office of Consumer Protection may prescribe rules and regulations

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

66 (b) Major oil storers shall report on storage capacity,
67 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 additional
89 information as necessary to perform its responsibilities under
90 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 the
95 information or data required by specific request under this act;
96 and

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

125 (ii) A report may include any of the following
126 information:

127 1. Receipts and inventory levels of crude oil
128 and petroleum products at each refinery and terminal location.

129 2. Amount of gasoline, diesel, jet fuel,
130 blending components, and other petroleum products imported and
131 exported.

132 3. Amount of gasoline, diesel, jet fuel,
133 blending components, and other petroleum products transported
134 intrastate by marine vessel.

135 4. Amount of crude oil imported, including
136 information identifying the source of the crude oil.

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

141 **SECTION 3.** (1) The Office of Consumer Protection shall
142 notify those persons who have failed to timely provide the
143 information specified in Section 2 of this act. If, within five
144 (5) days after being notified of the failure to provide the
145 specified information, the person fails to supply the specified
146 information, the person shall be subject to a civil penalty of not
147 less than Five Hundred Dollars (\$500.00) nor more than Two
148 Thousand Dollars (\$2,000.00) per day for each day the submission
149 of information is refused or delayed, unless the person has timely
150 filed objections with the Office of Consumer Protection regarding
151 the information and the Office of Consumer Protection has not yet
152 held a hearing on the matter, or the Office of Consumer Protection
153 has held a hearing and the person has properly submitted the issue
154 to a court of competent jurisdiction for review.

155 (2) Any person who willfully makes any false statement,
156 representation, or certification in any record, report, plan, or
157 other document filed with the Office of Consumer Protection shall
158 be subject to a civil penalty not to exceed Two Thousand Dollars
159 (\$2,000.00).

160 **SECTION 4.** This act shall take effect and be in force from
161 and a fter July 1, 2007.