



CIVIC LEAGUE
For New Castle County

Informed Citizens for Sound County Growth
P.O. Box 11523 - Wilmington, DE 19850

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JUNE
2007

COUNTY COMMENTS

CIVIC LEAGUE FOR NEW CASTLE COUNTY
Informed Citizens for Sound County Growth

Tuesday, June 19, 2007
MEETING

7:00 PM at Troop 2
100 LaGrange Lane - Newark, DE - RTE 40/896

AGENDA

Rose Killian, Esq.

Council to New Castle County Ethics Commission

New Castle County Council

Invites the residents of New Castle County to attend a Community Meeting to discuss New Castle County's

Draft 2007
Comprehensive Development Plan Update.

Wednesday, June 20, 2007
New Castle County Gilliam Building
77 Reads Way
7:00 PM

Members of New Castle County Council and representatives of the Department of Land Use will be available to hear your comments and questions regarding the Draft 2007 Comprehensive Development Plan Update.

For further information please contact 395-8365.

Please visit the website for the Department of Land Use, at www.nccde.org/LandUse for information about the Draft 2007 Comprehensive Development Plan Update

STATEMENT
OF
PRINCIPLE

- ◆ Monitor and selectively evaluate government actions including laws, regulations and policy.
- ◆ Provide appropriate forums for informing as well as soliciting input from the public.
- ◆ Establish positions based on responsible studies and consistent with the aims and purpose of the organization.
- ◆ Advocate these positions.

Founded in 1962, the Civic League is non-profit volunteer organization, which studies and illuminates County and State government actions concerning comprehensive developments and the quality of life and is a vocal advocate of relevant positions.

County Comments is the official publication of the Civic League for New Castle County.

Daniel Bockover,
President

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Content may be reproduced.

New Officers and Directors Elected at the May Meeting.

Officers 2007-2008

President:	Daniel E. Bockover
Vice-Pres.	Dianne Kemski
	Lee Hoffman
	Charles Mulholland
Secretary	Nancy Willing
Treasurer	David Bailey
Past. Pres.	Frances M. West

Directors 2007-2010

Michael Barbieri	Daniel E. Bockover	Richard F. Davis
William Dunn	Connie Georgov	Fritz Griesinger
Lee Hoffman	V. Eugene Mc Coy	Frank Sims
Marion Stewart	Frances M. West	Christine Whitehead

New and Old Boards will meet early in June to set the agenda for the following year beginning in September, 2007. Continuing agenda includes the NCC Comprehensive Plan Update, Water Resources, Stormwater Management, Transportation Funding, Arsenic Contamination, Energy Alternatives, Reapportionment, Legislative Relations, and Government Structure.



CIVIC LEAGUE FOR NEW CASTLE COUNTY RESOLUTION

WHEREAS: Governor Minner has proposed a 5 cent per gallon additional tax on gasoline sold in Delaware, starting on September 1, 2007; and

WHEREAS: The Controller General's Office has projected estimated revenues from such a tax at \$23.4 million in FY 2008 and \$28.6 million in FY 2009; and

WHEREAS: The Great Stone Anchorage in the Delaware Bay is reputedly the only sheltered east coast port between Maine and Texas capable of accommodating oil tankers with drafts as large as 55 feet; and

WHEREAS: Lightering of such tankers - - transfer of bulk product to barges or tankers of lesser draft to deliver product to refineries on the Delaware River and elsewhere on the eastern seaboard - - has been ongoing at the Great Stone Anchorage since before the June 28, 1971 effective date of Delaware's Coastal Zone Act (CZA); and

WHEREAS: Corporate entities involved in such lightering have never been granted CZA permits, and only one such entity (Maritrans) has been granted an Air Quality permit covering the activity; and

WHEREAS: In 2005, Maritrans requested an increase in the maximum amount of lightering permissible under its Air Quality permit(1) beyond the 100 million barrel ceiling (12 month rolling average basis) then permissible; and

WHEREAS: Imposing a \$1 per barrel tax on oil lightered at Great Stone Anchorage would produce revenues in the neighborhood of \$100 million per year; and

WHEREAS: Since a barrel of crude oil produces about 26 gallons of gasoline (along with other hydrocarbons), a \$1 per barrel tax on lightered oil would have an impact on the price of gasoline no larger than 4 cents per gallon; and

WHEREAS: Because the revenues from such a tax would be spread over more than just Delaware, a tax of \$1 per barrel of oil (less than 4 cents/gallon on gasoline) would produce more than three times as much Delaware revenue as the 5 cent per gallon additional tax proposed by Governor Minner.

NOW THEREFORE IT IS RESOLVED BY CIVIC LEAGUE FOR NEW CASTLE COUNTY THAT

A tax no smaller than \$1 per barrel of oil lightered at Great Stone Anchorage in the Delaware Bay be imposed with an effective date no later than September 1, 2007 and that the first \$1 per barrel of such revenue be earmarked for Delaware's Transportation Trust Fund.

ADOPTED (in concept) without dissent General Membership Meeting of May 15, 2007

Notice to Public Officials !!

RE: Tax of \$1.00 per barrel of oil lightered at Great Stone Anchorage in the Delaware Bay

Please be aware that the above resolution was passed without dissent at the May meeting of the Civic League for New Castle County. It is available on our web site www.civicleaguefornc.org. Citizen response is very positive.

As the State of Delaware enters this final month of budget deliberations, and has identified Transportation Trust Fund shortages, and other income shortfalls, we urge you to consider the imposition of the tax of \$1.00 per barrel of oil lightered at Great Stone Anchorage and earmark such revenue for the Delaware Transportation Trust Fund.

Report from Chair of Water Resource Management on the Tax Proposal and Resolution and Petition.

According to the 2006 Annual EIA Outlook Report, published by the Department of Energy, Energy Information Agency, the 5 Delaware refineries average 1.1 million barrels per day in processing.

According to Jim Snead of the Air Quality Division, Maritrans reported the following lightering information concerning their air quality permit in accordance with the Coastal Zone Industrial Board requirements.

1996	85 million barrels rolling 12 month average
1997	91 million barrels rolling 12 month average
1998	80 million barrels rolling 12 month average
1999	78 million barrels rolling 12 month average
2000	83 million barrels rolling 12 month average
2001	81 million barrels rolling 12 month average
2002	93 million barrels rolling 12 month average
2003	97 million barrels rolling 12 month average
2004	97 million barrels rolling 12 month average
2005	99 million barrels rolling 12 month average

Is the quantity reported accurate? What other lightering activity is going on which the State of Delaware does not know about. Currently, DNREC is in the dark. However, all 5 Delaware River Refineries have been doing these activities since and prior to, the June 28, 1971 adoption of the Coastal Zone Act.

The information can be collected. The Stone Anchorage is the only anchorage in a protected bay which can accommodate tankers with a draft of 55 feet or greater.

Kane Brothers under Kane Bunkering applied for a permit at the request of three refineries. Maritrans has applied for a air quality permit to increase lightering operations to 150 million barrels and DNREC has approved a increase of roughly 20%, since they have been hitting the upper ranges of the past permit since 2002.

One would not expect that all 1.1 million barrels processed at the Delaware River Refineries would be lightered crude oil, but - how much is lightered? Stay tuned, we are about to find out based upon the records.

As to the question of, "if the State of Delaware imposes a tax on lightered crude oil or other hazardous lightering, the lightering will be shifted to the open ocean? There is a possibility except that open ocean lightering opens up numerous risks for losing crude that the protected Bay has as an advantage when lightering. As it is, mistakes happen, in 2004 there was a lightering incident resulting in a release of 1.7 million barrels of crude VOCs and HAPs. Its not a good alternative to lighter in the open ocean, that's why the refineries do it at the anchorage. What about the ports north of the Delaware River, since there is no similar lightering area that can accommodate the tankers requiring a 55 foot draft or greater?

The revenue projections keep getting possibly higher. The great added benefit is that we will begin to know what operations are being conducted when the State of Delaware begins taxing the lightered crude oil.

Michael McDowell