

SENATE BILL

No. 70

Introduced by Senator Costa

May 17, 2001

An act to add Section 41514.9 to the Health and Safety Code, and to amend Sections 222 and 228 of the Public Utilities Code, relating to energy.

LEGISLATIVE COUNSEL'S DIGEST

SB 70, as introduced, Costa. Energy.

(1) Under existing law, air pollution control districts, air quality management districts, and the State Energy Resources Conservation and Development Commission issue permits for the operation of specified powerplants.

This bill would require air pollution control districts and air quality management districts to authorize the construction, installation, and operation of alternate fuel burning equipment when specified conditions are met. The bill would require the districts to the extent feasible, to assist an applicant in obtaining the approval to construct and operate alternate fuel burning equipment and to obtain offsets for air emissions, thus creating a state-mandated local program.

(2) Existing law defines “gas corporation” and “pipeline corporation” for purposes of the Public Utilities Act.

This bill would exempt from those definitions persons and corporations when selling gas or using a pipeline for the transmission or distribution of gas that is of insufficient quality or heating value to meet the specifications for introduction into the distribution network of the gas corporation that services the area of the well producing the gas.

(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 41514.9 is added to the Health and
2 Safety Code, to read:
3 41514.9. (a) Notwithstanding any other provision of law, a
4 district may not adopt or enforce any regulation that prohibits the
5 use, or limits the operation, of alternate fuel burning equipment if
6 all of the conditions of subdivision (c) are met.
7 (b) Notwithstanding any other provision of law, a district shall
8 authorize the construction, installation, and operation of alternate
9 fuel burning equipment and issue permits to operate the equipment
10 if all of the conditions of subdivision (c) are met.
11 (c) The conditions for subdivisions (a) and (b) are all of the
12 following:
13 (1) The alternate fuel is being utilized to do any of the
14 following:
15 (A) Replace natural gas.
16 (B) Generate electricity.
17 (C) Operate equipment previously run by electricity.
18 (2) Best available control technology is utilized.
19 (3) The operation of the equipment meets emission limitations
20 established by the district.
21 (d) A requirement to offset an increase in emissions shall be
22 allowed to be completed within five years of issuance of a permit
23 to operate pursuant to this section. If offsets are required and are
24 not achieved with the five year period, the district that issued the
25 permit to operate shall withdraw the permit.
26 (e) To the extent possible, a district shall assist an applicant that
27 utilizes this section to obtain approval to construct and operate
28 alternate fuel burning equipment and to obtain offsets for air
29 emissions.



1 SEC. 2. Section 222 of the Public Utilities Code is amended
2 to read:

3 222. ~~“Gas~~ (a) “Gas corporation” includes every corporation
4 or person owning, controlling, operating, or managing any gas
5 plant for compensation within this state, except where gas is made
6 or produced on and distributed by the maker or producer through
7 private property alone solely for his own use or the use of his
8 tenants and not for sale to others.

9 ~~“Gas~~ (b) “Gas corporation” ~~shall~~ *does* not include a
10 corporation or person employing landfill gas technology for the
11 production of gas for its own use or the use of its tenants or for sale
12 to a gas corporation or state or local public agency, except that if
13 the gas produced is of ~~such~~ insufficient quality or heating value
14 ~~that it is unacceptable to meet the specifications~~ for introduction
15 into the line, plant, or system of a gas corporation or state or local
16 public agency, the person or corporation employing landfill gas
17 technology may without becoming a gas corporation for purposes
18 of this part sell the gas so produced to not more than four other
19 corporations or persons.

20 (c) “Gas corporation” *does not include a corporation or*
21 *person when that corporation or person sells gas that is produced*
22 *in this state that is of insufficient quality or heating value to meet*
23 *the specifications for introduction into the distribution network of*
24 *the gas corporation that services the area of the well producing the*
25 *gas.*

26 SEC. 3. Section 228 of the Public Utilities Code is amended
27 to read:

28 228. ~~“Pipeline~~ (a) “Pipeline corporation” includes every
29 corporation or person owning, controlling, operating, or managing
30 any pipeline for compensation within this state.

31 ~~“Pipeline~~ (b) “Pipeline corporation” ~~shall~~ *does* not include a
32 corporation or person employing landfill gas technology and
33 owning, controlling, operating, or managing any pipeline solely
34 for the transmission or distribution of landfill gas or other form of
35 energy generated or produced therefrom.

36 (c) ‘Pipeline corporation’ *does not include a corporation or*
37 *person owning, controlling, operating or managing a pipeline for*
38 *the transmission or distribution of gas that is produced in this state*
39 *when the only gas being transmitted or distributed in the pipeline*
40 *is of insufficient quality or heating value to meet the specifications*



1 *for introduction into the distribution network of the gas*
2 *corporation that services the area of the well producing the gas.*

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4 SEC. 4. No reimbursement is required by this act pursuant to
5 Section 6 of Article XIII B of the California Constitution because
6 the only costs that may be incurred by a local agency or school
7 district will be incurred because this act creates a new crime or
8 infraction, eliminates a crime or infraction, or changes the penalty
9 for a crime or infraction, within the meaning of Section 17556 of
10 the Government Code, or changes the definition of a crime within
11 the meaning of Section 6 of Article XIII B of the California
12 Constitution.

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