

AMENDED IN ASSEMBLY MARCH 29, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 2390

Introduced by Assembly Member Chesbro

February 24, 2012

~~An act relating to electricity.~~ *An act to add Chapter 13 (commencing with Section 25990) to Division 15 of the Public Resources Code, relating to electricity.*

LEGISLATIVE COUNSEL'S DIGEST

AB 2390, as amended, Chesbro. ~~Biomass: incentive program.~~ *Electricity: biomass: incentive programs.*

Existing law authorizes the Public Utilities Commission (PUC), in consultation with the State Energy Resources Conservation and Development Commission (*Energy Commission*), to authorize electrical corporations to collect moneys for the self-generation incentive program (SGIP) at 2008 calendar year levels through December 31, 2014. Existing law requires the PUC to require electrical corporations to administer the SGIP, until January 1, 2016. Existing law limits eligibility for SGIP incentives to distributed energy resources that the PUC, in consultation with the State Air Resources Board, determines will achieve reductions in emissions of greenhouse gases pursuant to the California Global Warming Solutions Act of 2006.

This bill would state legislative findings and declarations regarding the use of waste products from forest thinning and fire prevention activities to generate electricity at biomass facilities. The bill would ~~state the intent of the legislature require the Energy Commission, in consultation with the Department of Forestry and Fire Protection, to~~ establish an incentive program to compensate *producers and collectors*

~~of biomass facilities for processing waste associated with forest thinning and fire prevention activities~~ *material associated with forest fuel reduction and fire prevention activities that are delivered to eligible biomass facilities, as defined, for use as a fuel source.*

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

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

1 SECTION 1. ~~(a)~~The Legislature finds and declares all of the
2 following:

3 ~~(1)~~
4 (a) Prudent forest thinning and fire prevention activities are
5 important for protecting public safety.

6 ~~(2)~~
7 (b) The utility of fire prevention activities can be supplemented
8 by harnessing the energy potential of waste products *in the form*
9 *of woody biomass material* ~~from those activities and forest fuels~~
10 *reduction activities and generating renewable* electricity at biomass
11 generation facilities.

12 ~~(b)~~ It is the intent of the Legislature to enact legislation to
13 establish an incentive program to compensate biomass facilities
14 for processing waste associated with forest thinning and fire
15 prevention activities.

16 (c) *Several large fires have resulted in significant costs to*
17 *California investor owned utilities that affect electric rates. These*
18 *costs include actual cost settlements with homeowners, fire*
19 *suppression cost reimbursement to the state and federal emergency*
20 *service agencies, transmission and distribution equipment*
21 *replacement, and ever increasing costs of insuring utility*
22 *infrastructure.*

23 (d) *The Department of Forestry and Fire Protection estimates*
24 *that almost 25 million acres of forest are considered high- and*
25 *medium-priority landscapes at risk to wildfire.*

26 (e) *Ratepayers will benefit by reducing the risk and associated*
27 *costs of fire related to the electric infrastructure.*

28 SEC. 2. *Chapter 13 (commencing with Section 25990) is added*
29 *to Division 15 of the Public Resources Code, to read:*

1 *CHAPTER 13. BIOMASS INCENTIVE PROGRAM*

2
3 25990. *For the purposes of this section, the following terms*
4 *have the following meanings:*

5 (a) *“Community scale biomass facilities” means an electric*
6 *generation facility that uses biomass that has a generation capacity*
7 *of under three megawatts and meets both of the following criteria:*

8 (1) *The facility is located in an area identified by the Department*
9 *of Forestry and Fire Protection as high- and medium-priority*
10 *landscapes at risk to wildfire.*

11 (2) *The facility uses as a fuel source only forest biomass*
12 *materials, such as shrubs, limbs, and small trees, collected from*
13 *a high- or medium-priority landscape considered at risk to wildlife,*
14 *as determined by the Department of Forestry and Fire Protection,*
15 *pursuant to a project consistent with the California Environmental*
16 *Quality Act (Division 13 (commencing with Section 21000) or the*
17 *federal National Environmental Policy Act (42 U.S.C. Sec. 4321*
18 *et seq.), as applicable.*

19 (b) *“Eligible biomass facility” means an electric generation*
20 *facility that uses as a fuel source forest biomass materials, such*
21 *as shrubs, limbs, and small trees, collected from a high- or*
22 *medium-priority landscape considered at risk to wildlife, as*
23 *determined by the Department of Forestry and Fire Protection.*

24 25991. *The commission shall, in consultation with the*
25 *Department of Forestry and Fire Protection, establish an incentive*
26 *program to compensate producers and collectors of biomass*
27 *material associated with forest fuel reduction and fire prevention*
28 *activities that are delivered to eligible biomass facilities for use*
29 *as a fuel source.*

30 25992. *In implementing the program, the commission shall*
31 *encourage the maximum amount of hazardous forest fuels removal.*