AMENDED IN ASSEMBLY APRIL 20, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 1501

Introduced by Assembly Member Rendon

February 27, 2015

An act to add Article 9.5 (commencing with Section 42100) to Chapter 3 of Part 4 of Division 26 of the Health and Safety Code, and to add—Section Sections 3160.5 and 3270.5 to the Public Resources Code, relating to oil and gas.

LEGISLATIVE COUNSEL'S DIGEST

AB 1501, as amended, Rendon. Well stimulation treatments: emissions. Well stimulation treatments: production facilities: emissions.

(1) Existing law authorizes the Division of Oil, Gas, and Geothermal Resources in the Department of Conservation to regulate the drilling, operation, maintenance, and abandonment of oil and gas wells in the state as well as the operation, maintenance, and removal or abandonment of tanks and facilities attendant to oil and gas production. Existing law generally vests the State Air Resources Board with the primary responsibility for the control of vehicular air pollution, and air pollution control and air quality management districts with the primary responsibility for the control of air pollution from all sources other than vehicular sources.

This bill would require an air district to establish an emission standard for methane from a well stimulation treatment, as defined, or a production facility, as defined, and to issue a permit or other regulatory document to an owner or operator to enforce that standard. The bill also would require the emission standard to include requirements on the owner or operator to monitor the well stimulation treatment for methane

-2-**AB 1501**

leaks. specified components. By adding to the duties of air districts, this bill would impose a state-mandated local program.

This bill would require the state board or an air district, as appropriate, to install monitoring stations near any site approved by the division for a well stimulation treatment or a production facility, as specified. By adding to the duties of air districts, this bill would impose a state-mandated local program.

(2) Existing law makes a violation of any rule, regulation, or order of the state board or an air district a misdemeanor. By expanding the scope of a crime, this bill would impose a state-mandated local program.

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: ves.

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

1 SECTION 1. Article 9.5 (commencing with Section 42100) is added to Chapter 3 of Part 4 of Division 26 of the Health and Safety 3 Code, to read: 4

5 Article 9.5. Well Stimulation Treatments and Production 6 **Facilities**

7 8

9 10

11

12

17

18

19

42100. For purposes of this article, "well stimulation treatment" has the same meaning as in Section 3157 of the Public Resources Code.

- 42100. For purposes of this article, the following terms have the following meanings:
- (a) "Production facility" has the same meaning as in Section 13 14 3010 of the Public Resources Code.
- (b) "Well stimulation treatment" has the same meaning as in 15 Section 3157 of the Public Resources Code. 16
 - 42105. (a) Notwithstanding any other law, a district shall do both of the following:
- (1) Establish an emission standard for methane from a well 20 stimulation treatment and a production facility.

-3- AB 1501

(2) Issue a permit *or other regulatory document* to an owner or operator to enforce the standard adopted pursuant to paragraph (1).

- (b) The emission standard adopted pursuant to subdivision (a) shall include requirements on the owner or operator to monitor the well stimulation treatment for methane leaks.
- (b) The emission standard adopted pursuant to subdivision (a) shall include both of the following:
- (1) Requirements on the owner or operator to monitor the well stimulation treatment and the production facility for methane leaks, as defined by the district.
- (2) A consideration of the effects of a well stimulation treatment or a production facility on adjacent vulnerable populations, including, but not limited to, school-age children and the elderly.
- SEC. 2. Section 3160.5 is added to the Public Resources Code, to read:
 - 3160.5. The State Air Resources Board or an air pollution control or air quality management district, as appropriate, shall install monitoring stations near any site approved by the division for a well stimulation treatment. A monitoring station shall be equipped to monitor for all of the following:
- 22 (a) Acetaldehyde.
- 23 (b) Acetone.
- (c) Alpha-Pinene.
- 25 (d) Dichlorodifluoromethane.
- 26 (e)

1

2

3

4

5

7

8

9

10 11

12 13

14

17

18

19

20

21

- 27 *(d)* Ethanol.
- 28 (f)
- 29 (e) Ethyl acetate.
- 30 (g)
- 31 (f) Isobutane.
- 32 (h)
- 33 (g) Isoprene.
- 34 (i)
- 35 *(h)* Methane.
- 36 (i)
- 37 (i) N-Heptane.
- 38 (k)
- 39 *(j)* N-Hexane.
- 40 (l)

AB 1501 —4—

- 1 (k) Propane.
- 2 (m)
- 3 (l) Toluene.
- 4 (n) Trichlorofluoromethane.
- 5 SEC. 3. Section 3270.5 is added to the Public Resources Code, 6 to read:
- 7 3270.5. The State Air Resources Board or an air pollution 8 control or air quality management district, as appropriate, shall 9 install monitoring stations near any site approved by the division 10 for a production facility. A monitoring station shall be equipped
- 11 to monitor for all of the following:
- 12 (a) Acetaldehyde.
- 13 (b) Acetone.
- 14 (c) Alpha-Pinene.
- 15 (d) Ethanol.
- 16 (e) Ethyl acetate.
- 17 (f) Isobutane.
- 18 (g) Isoprene.
- 19 *(h) Methane.*
- 20 *(i) N-Heptane.*
- 21 *(j) N-Hexane*.
- 22 *(k) Propane.*
- 23 (l) Toluene.
- 24 SEC. 3.

35

25 SEC. 4. No reimbursement is required by this act pursuant to Section 6 of Article XIIIB of the California Constitution because 26 a local agency or school district has the authority to levy service 27 28 charges, fees, or assessments sufficient to pay for the program or 29 level of service mandated by this act or because costs that may be 30 incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a 31 32 crime or infraction, or changes the penalty for a crime or infraction, 33 within the meaning of Section 17556 of the Government Code, or 34 changes the definition of a crime within the meaning of Section 6

of Article XIIIB of the California Constitution.