

AMENDED IN ASSEMBLY APRIL 7, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 1657

Introduced by Assembly Member O'Donnell

January 13, 2016

An act to add Chapter 4.3 (commencing with Section 39740) to Part 2 of Division 26 of the Health and Safety Code, and to add Chapter 8.9 (commencing with Section 25790) to Division 15 of the Public Resources Code, relating to air pollution, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 1657, as amended, O'Donnell. Air pollution: public ports and intermodal terminals.

(1) The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The act authorizes the state board to include the use of market-based compliance mechanisms. Existing law requires all moneys, except for fines and penalties, collected by the state board as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund and to be available upon appropriation.

This bill would establish the Zero- and Near-Zero-Emission Intermodal Terminals Program to be administered by the state board to fund equipment upgrades and investments at intermodal terminals, as defined, to help transition the state's freight system to ~~be zero-emission~~ zero- and near-zero-emission operations. The bill would authorize the program to be implemented with moneys from the Greenhouse Gas Reduction Fund.

(2) Existing law establishes the State Energy Resources Conservation and Development Commission and requires the commission to administer various programs to award grants and other financial assistance for energy-related projects.

This bill would establish the Port Building and Lighting Efficiency Greenhouse Gas Reduction Fund Program to be administered by the commission for the purpose of funding energy efficiency upgrades and investments at public ports that help reduce electrical load and increase ~~on-site~~ onsite renewable generation. The bill would authorize the program to be implemented with moneys from the Greenhouse Gas Reduction Fund.

(3) This bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

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

1 SECTION 1. Chapter 4.3 (commencing with Section 39740)
2 is added to Part 2 of Division 26 of the Health and Safety Code,
3 to read:

4
5 CHAPTER 4.3. ZERO- AND NEAR-ZERO-EMISSION INTERMODAL
6 TERMINALS PROGRAM
7

8 39740. For purposes of this section, “intermodal terminal” has
9 the same meaning as defined in the California Freight Mobility
10 Plan developed by the Transportation Agency.

11 39742. (a) The Zero- and Near-Zero-Emission Intermodal
12 Terminals Program is hereby established to be administered by
13 the state board to fund equipment upgrades and investments at
14 intermodal terminals to help transition the state’s freight system
15 to ~~be zero-emission~~ zero- and near-zero-emission operations.

16 (b) Moneys from the Greenhouse Gas Reduction Fund, created
17 pursuant to Section 16428.8 of the Government Code, shall be
18 available, upon appropriation by the Legislature, to implement this
19 chapter consistent with paragraph ~~(1)~~ (2) of subdivision (c) of
20 Section 39712.

21 39744. (a) Eligible projects shall include, but need not be
22 limited to, any of the following:

(a)

(1) The early deployment of ~~zero-emission~~ zero- and near-zero-emission equipment that handles the transfer of cargo at intermodal terminals.

(b)

(2) The installation of infrastructure necessary for the deployment of ~~zero-emission~~ zero- and near-zero-emission equipment, including, but not limited to, fueling infrastructure at intermodal terminals.

(c)

(3) Other projects that facilitate the transition of cargo handling equipment to ~~zero-emission~~ zero- and near-zero-emission equipment.

(b) Eligible projects shall not include vessel upgrades.

39746. The state board shall develop and adopt program guidelines that do all of the following:

(a) Are consistent with the California Global Warming Solutions Act of 2006 (Division 25.5 (commencing with Section 38500)) and the Greenhouse Gas Reduction Fund Investment Plan and Communities Revitalization Act (Chapter 4.1 (commencing with Section 39710)).

(b) Include baseline equipment eligibility with respect to the types of equipment that will satisfy the ~~zero-emission~~ zero- and near-zero-emission requirement, subject to feasibility requirements adopted by the state board.

(c) Establish limits on award amounts so that no one project or entity receives more than 50 percent of the program funding.

(d) Ensure moneys are allocated on a competitive basis for projects that are shown to achieve the greatest greenhouse gas emissions reductions not otherwise required by statute or regulation.

39748. In allocating moneys pursuant to this chapter, the state board shall consider all of the following:

(a) The impact of the investment on freight system efficiency.

(b) The degree to which the investment facilitates transition of the freight system to zero or near-zero emissions.

(c) The impact on the cost and competitiveness of the state's freight sector.

(d) The reduction of greenhouse gases.

SEC. 2. Chapter 8.9 (commencing with Section 25790) is added to Division 15 of the Public Resources Code, to read:

CHAPTER 8.9. PORT BUILDING AND LIGHTING EFFICIENCY
GREENHOUSE GAS REDUCTION FUND PROGRAM

25790. (a) The Port Building and Lighting Efficiency Greenhouse Gas Reduction Fund Program is hereby established to be administered by the commission for the purpose of funding energy efficiency upgrades and investments at public ports that help reduce electrical load and increase ~~on-site~~ *onsite* renewable generation.

(b) Moneys from the Greenhouse Gas Reduction Fund, created pursuant to Section 16428.8 of the Government Code, shall be available, upon appropriation by the Legislature, to implement this chapter consistent with paragraph (1) of subdivision (c) of Section 39712 of the Health and Safety Code.

25792. (a) Eligible projects shall include, but need not be limited to, any of the following:

(a)

(1) The installation of renewable technologies at marine terminals and at warehouses and other freight facilities at public ports.

(b)

(2) The replacement of conventional lighting at public ports.

(c)

(3) The implementation of energy efficiency measures that reduce grid-based energy demand from operations at public ports.

(d)

(4) Other projects that add to the electrification of public ports and reduce greenhouse gases.

(b) *Eligible projects shall not include vessel upgrades.*

25794. The commission shall develop and adopt program guidelines that are consistent with the California Global Warming Solutions Act of 2006 (Division 25.5 (commencing with Section ~~38500~~)). ~~38500) of the Health and Safety Code) and the Greenhouse Gas Reduction Fund Investment Plan and Communities Revitalization Act (Chapter 4.1 (commencing with Section 39710) of Part 2 of Division 26 of the Health and Safety Code).~~

1 25796. (a) To receive funding pursuant to this chapter, all of
2 the following shall occur:

3 (1) A public port shall develop and adopt, in consultation with
4 the respective electrical corporation, as defined in Section 218 of
5 the Public Utilities Code, or local publicly owned electric utility,
6 as defined in Section 224.3 of the Public Utilities Code, providing
7 service to the port, an energy plan that meets all of the following
8 criteria:

9 (A) (i) Is reviewed and approved by the commission.

10 (ii) The commission shall require any proposed changes to be
11 made before approving the plan.

12 (B) Adheres to the state's preferred energy loading order and
13 requires benchmarking for energy retrofit projects and the reporting
14 of measurable energy savings.

15 (2) The project applicant shall demonstrate that the project will
16 achieve a reduction in greenhouse gases.

17 (b) In prioritizing projects for awarding funding, the commission
18 shall consider the extent to which a project would reduce emissions
19 of greenhouse gases and provide environmental and public health
20 cobenefits, including, but not limited to, improved air and water
21 quality.

22 (c) *The commission shall allocate moneys on a competitive basis*
23 *for projects that are shown to achieve the greatest greenhouse gas*
24 *emissions reductions not otherwise required by statute or*
25 *regulation.*

26 SEC. 3. This act is an urgency statute necessary for the
27 immediate preservation of the public peace, health, or safety within
28 the meaning of Article IV of the Constitution and shall go into
29 immediate effect. The facts constituting the necessity are:

30 In order to implement at the earliest possible time programs to
31 provide incentives for the transition of goods movement equipment
32 to zero- and near-zero-emission technology and the reduction of
33 greenhouse gases at public ports, it is necessary for this act to take
34 effect immediately.