

Introduced by Senator Cannella

February 24, 2015

An act to add Section 784.5 to the Public Utilities Code, relating to energy.

LEGISLATIVE COUNSEL'S DIGEST

SB 360, as introduced, Cannella. Biomethane.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including gas corporations. Existing law requires the commission to adopt policies and programs that promote the in-state production and distribution of biomethane, as defined, and that facilitate the development of a variety of sources of in-state biomethane. Existing law requires the commission to adopt pipeline access rules that ensure that each gas corporation provides nondiscriminatory open access to its gas pipeline system to any party for the purposes of physically interconnecting with the gas pipeline system and effectuating the delivery of gas.

This bill would authorize the commission to consider providing the option to all gas corporations to engage in competitive bidding and direct investment in ratepayer financed biomethane collection equipment and would require that any ratepayer financed processes authorized by the commission take into account the value of the collected biomethane delivered to ratepayers and seek to return equivalent value to ratepayers over the life of any authorized project.

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

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

1 SECTION 1. Section 784.5 is added to the Public Utilities
2 Code, to read:
3 784.5. In recognition of the fact that many sources of methane
4 in California's agricultural sector remain uncontrolled, the
5 commission may consider providing the option to all gas
6 corporations to engage in competitive bidding and direct investment
7 in ratepayer financed biomethane collection equipment in
8 California. Any ratepayer financed processes authorized by the
9 commission shall take into account the value of the collected
10 biomethane delivered to ratepayers and shall seek to return
11 equivalent value to ratepayers over the life of any authorized
12 project.

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