

AMENDED IN ASSEMBLY AUGUST 17, 2016

AMENDED IN ASSEMBLY AUGUST 1, 2016

AMENDED IN SENATE MARCH 28, 2016

SENATE BILL

No. 1425

Introduced by Senator Pavley

February 19, 2016

An act to add Part 6 (commencing with Section 71420) to Division 34 of the Public Resources Code, relating to greenhouse gases.

LEGISLATIVE COUNSEL'S DIGEST

SB 1425, as amended, Pavley. Water-energy nexus registry.

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. Existing law creates the California Environmental Protection Agency, consisting of various boards, offices, and departments, including the state board.

Existing law, until 2008, established the former California Climate Action Registry to carry out specified actions, including, among others, helping various entities in the state to establish emissions baselines, encourage voluntary actions to increase energy efficiency and reduce greenhouse gas emissions, and recognize, publicize, and promote participants in the registry.

This bill would require the agency to oversee the development of a registry for greenhouse gas emissions resulting from the water-energy nexus using the best available data. The bill would ~~require~~ *authorize* the agency to enter into a contract with ~~the Climate Registry~~ *a qualified nonprofit organization* to develop and administer the registry, which

would include, among other things, the above-stated actions of the former California Climate Action Registry as those relate to the water-energy nexus.

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. The Legislature finds and declares all of the~~
2 ~~following:~~
- 3 ~~(a) Water and energy resources are inextricably connected. This~~
4 ~~relationship is known as the water-energy nexus.~~
- 5 ~~(b) The energy used to drive the state's water system accounts~~
6 ~~for nearly 20 percent of the total electricity usage and 30 percent~~
7 ~~of nonpower-related natural gas consumed and includes, among~~
8 ~~other things, the fuels used to power groundwater pumps,~~
9 ~~transportation, and treatment and disposal systems for water and~~
10 ~~wastewater; the heating and cooling of water in buildings and other~~
11 ~~facilities; the delivery of water; and end uses. There are known~~
12 ~~gaps in quantifying greenhouse gas emissions associated with that~~
13 ~~energy usage.~~
- 14 ~~(c) The water used to drive the state's energy system represents~~
15 ~~a substantial portion of our state water demand and includes, among~~
16 ~~other things, the water used to turn turbines for hydropower, to~~
17 ~~produce steam and cooling systems for thermoelectric power, and~~
18 ~~to extract and refine oil and gas.~~
- 19 ~~(d) Consequently, saving water saves energy and vice versa.~~
- 20 ~~(e) Because the production of energy often results in the~~
21 ~~emission of greenhouse gases, there is substantial potential for~~
22 ~~emissions reductions in the water system.~~
- 23 ~~(f) While energy usage has historically been a fundamental~~
24 ~~element in the planning and development of the state's water supply~~
25 ~~systems, there are new opportunities for improving this linkage to~~
26 ~~reduce water-related greenhouse gas emissions. New projects that~~
27 ~~best serve water and energy investments can maximize greenhouse~~
28 ~~gas emissions reductions.~~
- 29 ~~(g) It is the intent of the Legislature, in enacting this measure,~~
30 ~~to do both of the following:~~
- 31 ~~(1) More closely integrate the planning for water and energy to~~
32 ~~reduce greenhouse gas emissions.~~

1 ~~(2) Recognize innovative projects and programs that reduce the~~
2 ~~greenhouse gas intensity of our water system.~~

3 ~~SEC. 2.~~

4 *SECTION 1.* Part 6 (commencing with Section 71420) is added
5 to Division 34 of the Public Resources Code, to read:

6
7 PART 6. WATER-ENERGY NEXUS REGISTRY

8
9 71420. For purposes of this part, the following terms have the
10 following meanings:

11 (a) "Agency" means the California Environmental Protection
12 Agency.

13 ~~(b) "The Climate Registry" means the nonprofit organization~~
14 ~~that is a successor to the California Climate Action Registry~~
15 ~~(former Chapter 6 (commencing with Section 42800) of Part 4 of~~
16 ~~Division 26 of the Health and Safety Code, as added by Section 1~~
17 ~~of Chapter 1018 of the Statutes of 2000).~~

18 (e)

19 (b) "Registry" means the water-energy nexus registry developed
20 pursuant to this part.

21 71422. (a) (1) The agency shall oversee the development of
22 a registry for greenhouse gas emissions that result from the
23 water-energy nexus using the best-available data.

24 (2) Participation in the registry shall be voluntary and open to
25 any entity conducting business in the state. A participating entity
26 may register its emissions, including emissions generated outside
27 of the state, on an entitywide basis and may utilize the services of
28 the registry.

29 (b) The agency ~~shall~~ *may* enter into a contract with ~~the Climate~~
30 ~~Registry~~ *a qualified nonprofit organization* to do all of the
31 following:

32 (1) Develop, in consultation with the agency and other relevant
33 state agencies, the registry through a public stakeholder process,
34 as determined by the agency. In developing the registry, the
35 ~~Climate Registry~~ *chosen qualified nonprofit organization* shall
36 consider greenhouse gas emissions accounting methodologies
37 developed as part of programs authorized pursuant to the California
38 Global Warming Solutions Act of 2006 (Division 25.5
39 (commencing with Section 38500) of the Health and Safety Code).

- 1 (2) Help participating entities in the state to establish emissions
2 baselines.
- 3 (3) Encourage voluntary actions to increase water and energy
4 efficiency measures to reduce the greenhouse gas intensity of the
5 state's water system.
- 6 (4) Enable participating entities to record voluntary entitywide
7 greenhouse gas emissions reductions in a consistent format that is
8 supported by third-party verification.
- 9 (5) Recognize, publicize, and promote participating entities
10 making voluntary reductions of greenhouse gas emissions.
- 11 (6) Recruit broad participation in the registry from all economic
12 sectors and regions of the state.
- 13 (7) Facilitate streamlined data reporting for relevant entities
14 already reporting to the Climate Registry as part of its voluntary
15 corporate greenhouse gas emissions reporting program.
- 16 71424. Entities participating in the registry may qualify for
17 financing opportunities that provide incentives to reduce
18 greenhouse gas emissions and are consistent with Section 39712
19 of the Health and Safety Code.