

AB 1900, Gatto. Renewable energy resources: biomethane.

(1) Existing law requires the Public Utilities Commission (PUC) to specify the maximum amount of vinyl chloride that may be found in landfill gas. Existing law prohibits a gas producer from knowingly selling, supplying, or transporting to a gas corporation, and a gas corporation from knowingly purchasing, landfill gas containing vinyl chloride in a concentration exceeding the maximum amount determined by the PUC. Existing law requires a person who produces, sells, supplies, or releases landfill gas for sale offsite to a gas corporation to sample and test, bimonthly, the gas at the point of distribution for chemicals known to the state to cause cancer or reproductive toxicity. Existing law requires the Office of Environmental Health Hazard Assessment (OEHHA) to evaluate the environmental and health risks posed by various hazardous substances.

This bill would require OEHHA, in consultation with the State Air Resources Board, the Department of Toxic Substances Control, the Department of Resources Recycling and Recovery, and the California Environmental Protection Agency, to compile a list of constituents of concern that could pose risks to human health and that are found in biogas, as defined, at concentrations that significantly exceed the concentrations of those constituents in natural gas. The bill would require OEHHA to determine the health protective levels for that list, as specified, and would require the state board to identify realistic exposure scenarios and the health risks associated with those scenarios, as specified. The bill would require the state board to determine the appropriate concentrations of those constituents, as specified. The bill would also provide that actions taken pursuant to the above-described requirements do not constitute regulations and are exempt from the Administrative Procedure Act.

The bill would further require the PUC to adopt, by rule or order, (1) standards for biomethane that specify the concentrations of constituents of concern that are reasonably necessary to protect public health and ensure pipeline integrity and safety, as specified, and (2) requirements for monitoring, testing, reporting, and recordkeeping, as specified. The bill would require a gas corporation, as defined, to comply with those standards and requirements. The bill would require the PUC to require gas corporation tariffs to condition access to common carrier pipelines on the applicable customer meeting those standards and requirements. The bill would also prohibit a person and a gas corporation from knowingly engaging in specified transactions involving common carrier pipelines and biogas collected from a hazardous waste landfill, as defined.

(2) The Warren-Alquist State Energy Resources Conservation and Development Act establishes the State Energy Resources Conservation and Development Commission (Energy Commission) and requires it to prepare an integrated energy policy report on or before November 1, 2003, and every 2 years thereafter. The act requires the report to contain an overview of major energy trends and issues facing the state, including, but not limited to, supply, demand, pricing, reliability, efficiency, and impacts on public health and safety, the economy, resources, and the environment. This bill would require the Energy Commission to hold public hearings to identify impediments that limit procurement of biomethane in California, including, but not limited to, impediments to interconnection. The bill would require the Energy Commission to offer solutions to those impediments as part of the above-mentioned report.

(3) This bill would require the PUC to adopt policies and programs that promote the in-state production and distribution of biomethane.

(4) Existing law allows the PUC to set heating and purity requirements for biomethane injected into a gas pipeline. Existing law allows gas corporations to impose tariffs on biomethane injected into their pipelines.

This bill would require the PUC 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.

(5) This bill would become operative only if this bill and AB 2196 of the 2011-12 Regular Session are both enacted and become effective on or before January 1, 2013.

(6) Under existing law, a violation of the Public Utilities Act or any order, decision, rule, direction, demand, or requirement of the PUC is a crime.

Because this bill would require action by the PUC to implement certain of its requirements, a violation of which would be a crime, these provisions would impose a state-mandated local program by creating a new crime.

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.