



Home	Bill Information	California Law	Publications	Other Resources	My Subscriptions	My Favorites
------	------------------	----------------	--------------	-----------------	------------------	--------------

AB-678 Biomethane procurement targets or goals: core transport agents. (2023-2024)

SHARE THIS:  

Date Published: 10/09/2023 09:00 PM

Assembly Bill No. 678

CHAPTER 339

An act to amend Section 651 of the Public Utilities Code, relating to energy.

[Approved by Governor October 07, 2023. Filed with Secretary of State October 07, 2023.]

LEGISLATIVE COUNSEL'S DIGEST

AB 678, Alvarez. Biomethane procurement targets or goals: core transport agents.

Existing law vests the Public Utilities Commission with regulatory authority over public utilities, including gas corporations. Existing law requires the commission to require each gas corporation to provide bundled basic gas service to all core customers in its service territory unless the customer chooses or contracts to have natural gas purchased and supplied by another entity. Existing law requires the commission, in consultation with the State Air Resources Board, to consider adopting specific biomethane procurement targets or goals for each gas corporation, as specified.

This bill would revise that latter requirement to instead require the commission to consider adopting specific biomethane procurement targets or goals for each gas corporation and core transport agent, as defined. If the commission adopts the biomethane procurement targets or goals, the bill would require the commission to authorize a core transport agent to enter into an agreement with a gas corporation for the gas corporation to procure the core transport agent's proportionate share of biomethane in order to satisfy the biomethane procurement targets or goals, with all costs paid for by the core transport agent and any environmental attributes allocated by the commission in a fair and transparent manner. The bill would require the commission to initially allocate each core transport agent their proportional share of the existing biomethane procurement targets established by commission Decision 22-02-025, as specified.

Under existing law, a violation of the Public Utilities Act or an order, decision, rule, direction, demand, or requirement of the commission is a crime.

Because the provisions of this bill would be a part of the act and because a violation of a commission action implementing its requirements would be a crime, the 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 Local Program: yes

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 651 of the Public Utilities Code is amended to read:

651. (a) The commission, in consultation with the State Air Resources Board, shall consider adopting specific biomethane procurement targets or goals for each gas corporation and core transport agent, as defined in Section 980, so that each gas corporation and core transport agent procures a proportionate share, as determined by the commission, of biomethane annually. Before establishing biomethane procurement targets or goals, the commission shall make both of the following findings:

(1) The targets or goals are cost-effective means of achieving the forecast reduction in the emissions of short-lived climate pollutants pursuant to Section 39730.5 of the Health and Safety Code and other greenhouse gases pursuant to the California Global Warming Solutions Act of 2006 (Division 25.5 (commencing with Section 38500) of the Health and Safety Code).

(2) The targets or goals comply with all applicable state and federal laws.

(b) If the commission adopts specific biomethane procurement targets or goals for each gas corporation and core transport agent pursuant to subdivision (a), the commission shall do all of the following:

(1) Consider the recommendations developed pursuant to Section 39730.8 of the Health and Safety Code.

(2) Ensure the targets or goals are consistent with the organic waste disposal reduction targets specified in Section 39730.6 of the Health and Safety Code and the regulations adopted pursuant to Section 42652.5 of the Public Resources Code to achieve those targets.

(3) Ensure that biomethane eligible for any procurement program meets one of the following conditions:

(A) The biomethane is delivered to California through a dedicated pipeline.

(B) The biomethane is delivered to California through a common carrier pipeline and meets both of the following requirements:

(i) The source of biomethane injects the biomethane into a common carrier pipeline that physically flows within California, or toward the end user in California for which the biomethane was produced.

(ii) The seller or purchaser of the biomethane demonstrates that the capture or production of biomethane directly results in at least one of the following environmental benefits to California:

(I) The reduction or avoidance of the emission of any criteria air pollutant, toxic air contaminant, or greenhouse gas in California.

(II) The reduction or avoidance of pollutants that could have an adverse impact on waters of the state.

(III) The alleviation of a local nuisance within California that is associated with the emission of odors.

(4) Authorize a core transport agent to enter into an agreement with a gas corporation for the gas corporation to procure the core transport agent's proportionate share of biomethane in order to satisfy the specific biomethane procurement targets or goals adopted by the commission, with all costs paid for by the core transport agent and any environmental attributes allocated by the commission in a fair and transparent manner.

(c) The commission shall initially allocate each core transport agent their proportional share of the existing biomethane procurement targets established by commission Decision 22-02-025 (February 24, 2022) Decision Implementing Senate Bill 1440 Biomethane Procurement Program. This subdivision shall not prohibit the commission from establishing additional biomethane targets.

SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.