

## **Appendix B**

### **California Senate Bill 1298 (Bowen and Peace)**



BILL NUMBER: SB 1298

CHAPTERED BILL TEXT

CHAPTER 741

FILED WITH SECRETARY OF STATE	SEPTEMBER 27, 2000
APPROVED BY GOVERNOR	SEPTEMBER 25, 2000
PASSED THE SENATE	AUGUST 31, 2000
PASSED THE ASSEMBLY	AUGUST 29, 2000
AMENDED IN ASSEMBLY	AUGUST 25, 2000
AMENDED IN ASSEMBLY	AUGUST 18, 2000
AMENDED IN ASSEMBLY	AUGUST 7, 2000
AMENDED IN ASSEMBLY	JUNE 26, 2000
AMENDED IN SENATE	MAY 28, 1999
AMENDED IN SENATE	APRIL 5, 1999

INTRODUCED BY Senators Bowen and Peace

MARCH 1, 1999

An act to add Sections 41514.9 and 41514.10 to the Health and Safety Code, relating to air pollution.

LEGISLATIVE COUNSEL'S DIGEST

SB 1298, Bowen. Air emissions: distributed generation.

(1) Existing law requires the State Air Resources Board to consider and adopt specified findings before adopting rules or regulations that would affect the operation of existing power plants. Under existing law, except as specified, any person who violates any statute, rule, regulation, permit, or order of the state board or of an air pollution control strict or an air quality management district relating to air quality, as provided, is guilty of a misdemeanor and is subject to a fine, imprisonment, or both.

This bill would require the state board, on or before January 1, 2003, to adopt a certification program and uniform emission standards for electrical generation that are exempt from district permitting requirements, and would require that those standards reflect the best performance achieved in practice by existing electrical generation technologies.

The bill would require the state board, on or before January 3, 2003, to issue guidance to districts on the permitting or certification of electrical generation technologies under their regulatory jurisdiction, as prescribed.

Since a violation of the regulations adopted pursuant to the bill would be a crime, the bill would impose a state-mandated local program.

(2) 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.

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

SECTION 1. The Legislature finds and declares all of the following:

(a) Distributed generation can contribute to helping California meet the energy requirements of its citizens and businesses.

(b) Certain distributed generation technologies can create significant air emissions.

(c) A clear set of rules and regulations regarding the air quality impacts of distributed generation will facilitate the deployment of distributed generation.

(d) The absence of clear rules and regulations creates uncertainty that may hinder the deployment of distributed generation.

(e) It is in the public interest to encourage the deployment of distributed generation technology in a way that has a positive effect on air quality.

(f) It is the intent of the Legislature to create a streamlined and seamless regulatory program, whereby each distributed generation unit is either certified by the State Air Resources Board for use or subject to the permitting authority of a district.

SEC. 2. Section 41514.9 is added to the Health and Safety Code, to read:

41514.9. (a) On or before January 1, 2003, the state board shall adopt a certification program and uniform emission standards for electrical generation technologies that are exempt from district permitting requirements.

(b) The emission standards for electrical generation technologies shall reflect the best performance achieved in practice by existing electrical generation technologies for the electrical generation technologies referenced in subdivision (a) and, by the earliest practicable date, shall be made equivalent to the level determined by the state board to be the best available control technology for permitted central station powerplants in California. The emission standards for state certified electrical generation technology shall be expressed in pounds per megawatt hour to reflect the expected actual emissions per unit of electricity and heat provided to the consumer from each permitted central powerplant as compared to each state certified electrical generation technology.

(c) Commencing on January 1, 2003, all electrical generation technologies shall be certified by the state board or permitted by a district prior to use or operation in the state. This section does not preclude a district from establishing more stringent emission standards for electrical generation technologies than those adopted by the state board.

(d) The state board may establish a schedule of fees for purposes of this section to be assessed on persons seeking certification as a distributed generator. The fees charged, in the aggregate, shall not exceed the reasonable cost to the state board of administering the certification program.

(e) As used in this section, the following definitions shall apply:

(1) "Best available control technology" has the same meaning as defined in Section 40405.

(2) "Distributed generation" means electric generation located near the place of use.

SEC. 3. Section 41514.10 is added to the Health and Safety Code, to read: 41514.10. On or before January 1, 2003, the state board shall issue guidance to districts on the permitting or certification of electrical generation technologies under the districts regulatory jurisdiction. The guidance shall address best available control technology determinations, as defined by Section 40405, for electrical generation technologies and, by the earliest practicable date, shall make those equivalent to the level determined by the state board to be the best available control technology for permitted central station powerplants in California. The guidance shall also address methods for streamlining the permitting and approval of electrical generation units, including the potential for precertification of one or more types of electrical generation technologies.

SEC. 4. 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.