

REPORT OF THE CHIEF LEGISLATIVE ANALYST

DATE: July 20, 2015

TO: Honorable Members of the Rules, Elections, Intergovernmental Relations, and Neighborhoods Committee

FROM: Sharon M. Tso *Sharon Tso for*
Chief Legislative Analyst

Council File No.: 15-0002-S73
Assignment No.: 15-06-0541

SUBJECT: Alternative Fuel Vehicle Fueling Stations.

CLA RECOMMENDATION: Adopt the attached Resolution (Blumenfield-Fuentes-O'Farrell) to include in the City's 2015-16 State Legislative Program SUPPORT for AB 1074 (Garcia) that would establish a State policy to accelerate the adoption of alternative fuel vehicles by increasing charging and refueling options.

SUMMARY

Existing law requires the State Energy Resources Conservation and Development Commission (Commission) to prepare a biennial integrated energy policy report containing an overview of major energy trends and issues facing the state. The Commission is also required to make recommendations to improve the efficiency of transportation energy use, reduce dependence on petroleum fuels, decrease environmental impacts from transportation energy use, and contribute to reducing congestion, promoting economic development, and enhancing energy diversity and security.

On February 27, 2015, Assembly Member Garcia introduced AB 1074 that would:

- Declare that it is the policy of the state and intent of the Legislature to accelerate the adoption of alternatively fueled vehicles by increasing alternative fueling options needed to facilitate electric, hydrogen, and natural gas vehicles along passenger and goods movement corridors.
- Specifies that "alternative fuel" includes biodiesel, bio-alcohol (methanol, ethanol, and butanol), chemically stored electricity (battery and fuel cells), hydrogen, compressed fossil or non-fossil natural gas, liquefied fossil or non-fossil natural gas, vegetable oil, propane, and other biomass sources.
- Defines "alternative refueling infrastructure" as equipment that is available to the public and used to charge or store and dispense alternative fuel to vehicles in accordance with industry codes and standards.
- Requires the Commission to conduct an assessment and develop an integrated strategy to maximize the benefits and scope of alternative refueling infrastructure to help the state achieve climate change, air quality, and economic goals.
- Requires the Commission to develop a refueling infrastructure plan by January 1, 2017 that identifies the number and types of stations and geographical areas where additional stations will be needed and to rely upon and consolidate existing reports and information, where possible.

Convenient access to alternative fuel stations remains a barrier to accelerated adoption of clean

vehicles. Before clean vehicles are sold or leased, consumers and businesses must have confidence that these vehicles can be easily refueled near their homes, jobs and other convenient locations. In order to proceed with the transition to clean vehicles, California needs a clearly delineated plan that strategically identifies where alternative fueling stations should be located.

BACKGROUND

The transportation sector in California is responsible for nearly 40% of greenhouse gas emissions and an estimated 80% of the region's smog-forming NOx emissions. Reduction of these emissions is a key element in achieving the state's climate change goals.

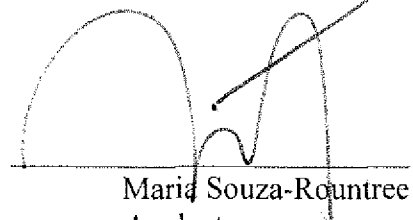
There have been a number of efforts undertaken by state, regional and local governments, as well as the private sector over the past few years to establish alternative fueling technologies and expand alternative fueling infrastructure. Through Governor Brown's Executive Order B-16-2012, state agencies, businesses, and other stakeholder groups developed the Zero Emission Vehicle Action Plan of 2013 (ZEV Action Plan) to achieve four main goals, including: 1) completing needed infrastructure planning; 2) expanding consumer awareness and demand; 3) transforming fleets; and 4) growing jobs and investment in the private sector. AB 1074 presents another opportunity for the Commission to conduct a comprehensive review of existing information and compile relevant data into a comprehensive infrastructure planning document that can be used by public and private entities to achieve an integrated alternative fueling infrastructure plan.

DEPARTMENTS NOTIFIED

Department of Transportation

BILL STATUS

5/28/2015	Held under submission.
4/29/2015	Referred to the Appropriations suspense file.
4/14/2015	Passed out of the Committee on Transportation and referred to the Committee on Appropriations.
3/26/2015	Referred to the Committee on Transportation.
2/27/2015	Introduced. To print.



Maria Souza-Rountree
Analyst

Attachments:

1. Resolution
2. AB 1074 (Garcia)

SMT:msr

RESOLUTION RULES, ELECTIONS & INTERGOVERNMENTAL RELATIONS

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations or policies proposed to or pending before a local, state, or federal government body or agency must have first been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, there is urgent need to improve the air quality throughout the state and local communities; and

WHEREAS, the City and region continues to suffer the effects of poor air quality; and

WHEREAS, the transportation sector is the largest air polluter, accounting for 80 percent of the region's smog-forming emissions (NOx) and 40 percent of the region's greenhouse gas emissions; and

WHEREAS, transitioning from gasoline and diesel fuel to alternative fuels would significantly improve the environment and the public health; and

WHEREAS, existing state law requires the State Energy Resources Conservation and Development Commission (Commission) to prepare a biennial integrated energy policy report; and

WHEREAS, the Commission's report is also required to include recommendations to improve transportation efficiency, reduce dependency on petroleum fuels and decrease environmental impacts from transportation energy use; and

WHEREAS, AB 1074 (Garcia) seeks to establish that it is the policy of the state to help accelerate the adoption of vehicles using alternative fuels by increasing charging and refueling options to facilitate electric, hydrogen, and natural gas vehicles; and

WHEREAS, AB 1074 also seeks to require the Commission to develop an integrated strategy to maximize the benefits of an alternative refueling infrastructure in order to improve the air quality throughout the state and local communities;

NOW, THEREFORE, BE IT RESOLVED, with the concurrence of the Mayor, that by the adoption of this Resolution, the City of Los Angeles hereby includes in its 2015-2016 State Legislative Program SUPPORT for AB 1074 (Garcia) which seeks to establish that it is the policy of the state to help accelerate the adoption of vehicles using alternative fuels by increasing charging and refueling options to facilitate electric, hydrogen, and natural gas vehicles.

PRESENTED BY:

BOB BLUMENFIELD
Councilmember, 3rd District

FELIPE FUENTES
Councilmember, 7th District

SECONDED BY:

JUN 26 2015

AMENDED IN ASSEMBLY APRIL 15, 2015
AMENDED IN ASSEMBLY MARCH 26, 2015
CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 1074

Introduced by Assembly Member Cristina Garcia

February 27, 2015

An act to add Sections 25010, 25142, and 25991 to the Public Resources Code, relating to alternative transportation fuels.

LEGISLATIVE COUNSEL'S DIGEST

AB 1074, as amended, Cristina Garcia. Alternative fuels: infrastructure.

The Warren-Alquist State Energy Resources Conservation and Development Act establishes the State Energy Resources Conservation and Development Commission and requires the commission to prepare a biennial integrated energy policy report containing an overview of major energy trends and issues facing the state, including supply, demand, pricing, reliability, efficiency, and impacts on public health and safety, the economy, resources, and the environment. The commission is required to make recommendations to improve the efficiency of transportation energy use, reduce dependence on petroleum fuels, decrease environmental impacts from transportation energy use, and contribute to reducing congestion, promoting economic development, and enhancing energy diversity and security.

Existing law authorizes the Humboldt Bay Harbor, Recreation, and Conservation District and specified harbor and port districts, as defined, to jointly, with an electrical corporation, gas corporation, community choice aggregator established on or before July 1, 2013, or publicly

owned electric or gas utility serving the district, to prepare one or more energy management plans to reduce air emissions and promote economic development through the addition of new businesses and the retention of existing businesses in the district. Existing law requires that if a district prepares an energy management plan pursuant to these provisions, that the plan include specified provisions

This bill would add a definition of “alternative fuel” and would provide that it is the policy of the state to help accelerate the adoption of vehicles using alternative fuels throughout the state by increasing the amount of charging and refueling options needed to facilitate electric, hydrogen, and natural gas vehicles traveling along all passenger and goods movement corridors on federal and state highways. The bill ~~would~~, *would* require the commission to conduct an assessment and develop an ~~intergrated~~ *integrated* strategy to maximize the benefits and scope of an alternative refueling infrastructure, as defined, to help the state achieve its climate change, air quality, and economic goals and this newly stated policy. *The bill would require the commission, as part of this assessment and strategy, to develop a refueling infrastructure plan that identifies specified matter and to provide the infrastructure plan to the Legislature on or before January 1, 2017.*

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 25010 is added to the Public Resources
2 Code, to read:

3 25010. It is the policy of the state and the intent of the
4 Legislature to help accelerate the adoption of vehicles using
5 alternative fuels throughout the state by increasing the amount of
6 charging and refueling options needed to facilitate electric,
7 hydrogen, and natural gas vehicles traveling along all passenger
8 and goods movement corridors on federal and state highways.

9 SEC. 2. Section 25142 is added to the Public Resources Code,
10 to read:

11 25142. “Alternative fuel” include biodiesel, bioalcohol
12 (methanol, ethanol, and butanol), ~~chemically-stored electricity~~
13 ~~(batteries and fuel-cells)~~, *electricity*, hydrogen, compressed fossil
14 or nonfossil natural gas, liquefied fossil or nonfossil natural gas,
15 vegetable oil, propane, and other biomass sources.

1 SEC. 3. Section 25991 is added to the Public Resources Code,
2 to read:

3 25991. (a) As used in this section, “alternative refueling
4 infrastructure” means the equipment used to charge or store and
5 dispense alternative fuel to vehicles according to industry codes
6 and standards that is open to the public.

7 (b) The commission shall conduct an assessment and develop
8 an ~~intergrated~~ *integrated* strategy to maximize the benefits and
9 scope of an alternative refueling infrastructure to help the state
10 achieve its climate change, air quality, and economic goals and
11 the policy described in Section 25010. As part of this assessment
12 and strategy, the commission shall develop a refueling
13 infrastructure plan that identifies both of the following:

14 (1) The number and types of stations that are needed to fulfill
15 the policy goal described in Section 25010.

16 (2) The geographical areas where additional stations will be
17 needed.

18 (c) *Where applicable, when conducting the assessment,*
19 *developing the integrated strategy, and developing the refueling*
20 *infrastructure plan, the commission shall rely upon, and*
21 *consolidate, existing reports and information.*

22 (d) *The commission shall provide the infrastructure plan to the*
23 *Legislature on or before January 1, 2017.*