

California Energy Legislation

SB 1505 (Lowenthal) Hydrogen-based Alternative Fuels

OVERVIEW

This bill requires the California Air Resources Board (CARB) to develop regulations for hydrogen fuel used for transportation.

CODE SECTIONS

This bill adds Sections 43868 and 43869 to the Health and Safety Code, relating to fuel.

MAIN PROVISIONS

- Regulations for Hydrogen Fuel – This bill requires the State Air Resources Board (CARB) to adopt regulations by July 1, 2008 that will ensure that state funding for the production and use of hydrogen fuel contributes to the reduction of greenhouse gas (GHG), criteria air pollutant, and toxic air contaminant emissions. These regulations must require that (1) “well-to-wheel” greenhouse gas emissions from hydrogen fuels are 30% lower than those of standard gasoline vehicles, (2) 33.3% of all state-supported hydrogen use renewable energy to produce the fuel, (3) all state supported hydrogen dispensed in California meet a “well-to-tank” GHG emissions standard at least 50% lower than the average gasoline vehicle, (4) the “well-to-tank” emissions of toxic air contaminants be lower than those of the average gasoline vehicle, and (5) all providers of hydrogen for transportation report to CARB the annual mass of fuel dispensed and the method used to produce and deliver that fuel.
- Hydrogen Production Threshold – This bill requires CARB to adopt regulations that are to apply in any year immediately following a 12-month period in which the mass of hydrogen fuel dispensed in California for transportation purposes exceeds 3,500 metric tons. These must include at least the requirements listed above for hydrogen regulation. The bill also authorizes CARB to increase the 3,500-metric-ton threshold under certain conditions.
- Periodic Review – This bill requires CARB, in consultation with other relevant agencies, to review the renewable resource and the emissions requirements adopted in the bill. It also requires CARB to produce and periodically update a handbook to inform and educate market participants on how to comply with the regulations adopted pursuant to this bill.
- Environmental Justice – The bill requires the California Environmental Protection Agency's Environmental Justice Advisory Committee (the agency) to meet at least once annually to discuss the production and distribution of hydrogen fuel in the state.
- Hydrogen Incentives – The bill requires the Environmental Protection Agency's Secretary, in consultation with CARB, to recommend to the Legislature and the Governor, on or before January 1, 2010, incentives that could be offered to businesses within the hydrogen fuel industry and consumers to spur the development of clean sources of hydrogen fuel.

IMPLEMENTATION TIMELINE

July 1, 2008 – Deadline for CARB to adopt hydrogen fuel regulations.

January 1, 2010 – Deadline for the Environmental Protection Agency secretary to recommend commercial incentives to spur development of clean sources of hydrogen fuel.