

AMENDED IN ASSEMBLY JULY 28, 2004
AMENDED IN ASSEMBLY JUNE 30, 2004
AMENDED IN ASSEMBLY JUNE 22, 2004
AMENDED IN ASSEMBLY JUNE 14, 2004
AMENDED IN SENATE APRIL 30, 2003

SENATE BILL

No. 429

Introduced by Senator Torlakson

(Principal coauthor: Assembly Member Richman)

(Coauthors: Senators Alpert, Cedillo, Denham, Ducheny, and McPherson)

(Coauthors: Assembly Members Aghazarian, Benoit, Bermudez, Campbell, Canciamilla, Chavez, Firebaugh, Shirley Horton, Houston, Matthews, Oropeza, Parra, and Wyland)

February 20, 2003

An act to add and repeal Section 25226 of the Public Resources Code, relating to public resources.

LEGISLATIVE COUNSEL'S DIGEST

SB 429, as amended, Torlakson. Energy resources: petroleum infrastructure projects: permits: process.

~~(1) Existing~~

Existing law requires the State Energy Resources Conservation and Development Commission to report to the Governor and the Legislature regarding the state's petroleum supply and pricing.

This bill would require the Governor to designate, until January 1, 2007, a statewide petroleum infrastructure facilitator in the commission

to investigate rulemaking, permitting, and other proceedings by public agencies that affect petroleum infrastructure projects in the state, and to suggest best *permitting* practices.

The bill would require the statewide petroleum infrastructure facilitator, not more than 120 days after the Governor designates him or her, to (1) identify and list all permits required for petroleum infrastructure projects and related facilities in the state; (2) describe current procedures utilized in practice for expediting permitting for petroleum infrastructure projects; (3) identify and list all laws, rules, regulations, policies, guidelines, permit conditions, and standard practices that affect petroleum infrastructure ~~prospects~~ *projects*; (4) compile and, upon request, make available to persons proposing to modify, construct, or operate petroleum infrastructure projects, available guidance documents and other information on permitting petroleum infrastructure projects; and (5) survey local governments on procedures for local permits, land use authorizations, and other approvals made at the local level for *petroleum* infrastructure projects.

The bill would require the commission, until January 1, 2007, to initiate consultations with the statewide petroleum infrastructure facilitator, *and* the California Environmental Protection Agency, the Resources Agency, the United States Environmental Protection Agency, other states, air districts, public and private regulated entities, California ports, and other interested persons; regarding successful methods and best practices for streamlining permits, leases, and other governmental authorizations and entitlements that may be required by petroleum infrastructure projects. The bill would require the consultation to include a complete report of agencies' and the regulated entities' experiences with facility siting conducted by the commission, similar processes in other states, and similar processes in this state.

The bill would require the commission, on or before June 30, 2005, to identify permitting practices, and to publish for public comment a complete list of permit streamlining techniques for petroleum infrastructure projects.

The bill would require the commission, on or before December 31, 2005, to submit a report to the Governor and the Legislature describing the results of the consultation and the specified list, together with detailed recommendations for establishing new, improved processes for permitting petroleum infrastructure projects in California.

The bill would authorize the commission to adopt rules and regulations to implement the bill's requirements.



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. The Legislature hereby finds and declares all of
2 the following:

3 (a) California’s supply of transportation fuel is not keeping
4 pace with growing demand.

5 (b) California consumers desire to use the cleanest available
6 transportation fuels. California has been a pioneer in the
7 development of cleaner burning gasoline and other cleaner
8 burning transportation fuels.

9 (c) In the past two decades, the number of petroleum refineries
10 in California and the nation has declined, and no new refineries are
11 anticipated in California.

12 (d) It is becoming more difficult for California refiners to
13 improve reliability, improve efficiency, and make incremental
14 capacity increases to meet demand growth for cleaner burning
15 transportation fuels. Imports of finished cleaner burning
16 transportation fuels and blending stocks are now critical to
17 balancing supply and demand in California.

18 (e) Ports, marine terminals, refineries, pipelines, terminals, and
19 other elements of the California petroleum infrastructure are
20 proving to be inadequate for producing and handling increased
21 volumes of cleaner burning transportation fuels.

22 (f) California faces potentially serious transportation fuel
23 imbalances over the next several years, which necessitate
24 immediate action by the state on a statewide basis.

25 (g) The purpose of this act is to respond to the problems facing
26 the state by promoting incremental investments in new, more
27 reliable, more efficient, and environmentally superior components
28 of the California petroleum infrastructure.

29 SEC. 2. Section 25226 is added to the Public Resources Code,
30 to read:

31 25226. (a) The Governor shall designate a statewide
32 petroleum infrastructure facilitator in the commission to
33 investigate rulemaking, permitting, and other proceedings by
34 public agencies that affect petroleum infrastructure projects in the
35 state, and to suggest best *permitting* practices.



1 (b) Not more than 120 days after the Governor designates a
2 statewide petroleum infrastructure facilitator pursuant to
3 subdivision (a), the petroleum infrastructure facilitator shall do all
4 of the following:

5 (1) Identify and list all permits required for petroleum
6 infrastructure projects and related facilities in the state.

7 (2) Describe current procedures utilized in practice for
8 expediting permitting for petroleum infrastructure projects.

9 (3) Identify and list all laws, rules, regulations, policies,
10 guidelines, permit conditions, and standard practices that affect
11 petroleum infrastructure ~~prospects~~ *projects*.

12 (4) Compile and, upon request, make available to persons
13 proposing to modify, construct, or operate petroleum
14 infrastructure projects, available guidance documents and other
15 information on permitting petroleum infrastructure projects.

16 (5) Survey local governments on procedures for local permits,
17 land use authorizations, and other approvals made at the local level
18 for petroleum infrastructure projects.

19 (c) In carrying out the duties imposed pursuant to this section,
20 the statewide petroleum infrastructure facilitator shall consult
21 with all of the following:

22 (1) The chair of the commission.

23 (2) The Chair of the State Air Resources Board.

24 (3) The Secretary for Environmental Protection.

25 (4) The Secretary of the Resources Agency.

26 (5) The Director of the Governor's Office of Planning and
27 Research.

28 (6) Representatives from the United States Environmental
29 Protection Agency, the United States Department of Energy, the
30 United States Department of the Interior, and other affected
31 federal agencies, as appropriate.

32 (7) Representatives of local and regional agencies, including,
33 but not limited to, air pollution control districts, cities, and air
34 quality management districts.

35 (d) The commission shall initiate consultations with the
36 facilitator ~~appointed~~ *designated* pursuant to subdivision (a), *and*
37 the California Environmental Protection Agency, the Resources
38 Agency, the United States Environmental Protection Agency,
39 other states, air districts, public and private regulated entities,
40 California ports, and other interested persons; regarding



1 successful methods and best practices for streamlining permits,
2 leases, and other governmental authorizations and entitlements
3 that may be required by petroleum infrastructure projects.

4 (e) The consultation required pursuant to subdivision (d) shall
5 include a complete report of agencies' and the regulated entities'
6 experiences with facility siting conducted by the commission,
7 similar processes in other states, and similar processes in this state.

8 (f) On or before June 30, 2005, the commission shall identify
9 permitting practices, and shall publish for public comment a
10 complete list of permit streamlining techniques for petroleum
11 infrastructure projects.

12 (g) On or before December 31, 2005, the commission shall
13 submit a report to the Governor and the Legislature describing the
14 results of the consultation pursuant to this section and the list
15 published pursuant to subdivision (f), together with detailed
16 recommendations for establishing new, improved processes for
17 permitting petroleum infrastructure projects in California.

18 (h) (1) In taking an action under this section, the commission
19 may adopt rules and regulations as necessary to ensure that
20 relevant duties pursuant to this section are carried out.

21 (2) To implement this section, the commission may adopt
22 emergency regulations in accordance with Chapter 3.5
23 (commencing with Section 11340) of Part 1 of Division 3 of Title
24 2 of the Government Code. For purposes of that chapter, including,
25 but not limited to, Section 11349.6 of the Government Code, the
26 adoption of the regulations shall be considered by the Office of
27 Administrative Law to be necessary for the immediate
28 preservation of the public peace, health, safety, and general
29 welfare.

30 (i) For the purposes of this section, "petroleum infrastructure
31 projects" include marine terminals, port facilities, product storage
32 facilities, pipelines, land terminals, refinery projects, and related
33 kinds of facilities identified by the petroleum infrastructure
34 facilitator as being necessary to assure a consistent and reliable
35 supply of cleaner burning gasoline, ultra low sulfur diesel fuel, and
36 other petroleum products to California consumers.



1 (j) This section shall remain in effect only until January 1,
2 2007, and as of that date is repealed, unless a later enacted statute
3 that is enacted before January 1, 2007, deletes or extends that date.

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