

## ASSEMBLY THIRD READING

AB 1531 (O'Donnell)

As Amended April 26, 2021

Majority vote

**SUMMARY**

Expands the regulatory oversight of the Office of the State Fire Marshall (Fire Marshall) to include intrastate pipelines transporting supercritical carbon dioxide (CO<sub>2</sub>), and defines "carbon dioxide" as a fluid consisting of more than 90% carbon dioxide molecules compressed to a supercritical state, mirroring the federal definition.

**Major Provisions****COMMENTS**

Statute charges the Fire Marshal with regulating an intrastate pipeline that carries a hazardous liquid. Similarly, the California Public Utilities Commission regulates intrastate gas pipelines, as part of the commission's regulation of gas utilities. Interstate pipelines are regulated by the United States Department of Transportation Pipeline and Hazardous Materials Safety Administration (PHMSA). PHMSA has delegated its authority to the Fire Marshal, for interstate pipelines in California. So, who regulates intrastate pipeline transport of supercritical CO<sub>2</sub>? Under this bill, the Fire Marshal would, but, under existing law, it is unclear, as state law governing pipeline regulation does not reference CO<sub>2</sub>.

Supercritical CO<sub>2</sub> is CO<sub>2</sub> under extreme pressure, and, reportedly, is easier and more economical to transport through pipelines. Since highly pressurized CO<sub>2</sub> is considered a liquid, it seems reasonable to place an in-state pipeline that transports supercritical CO<sub>2</sub> under the watch of the Fire Marshal.

**According to the Author**

AB 1531 clarifies that the State Fire Marshal has the authority to regulate intrastate pipelines used for the transportation of CO<sub>2</sub>. This will ensure that pipelines used to transport CO<sub>2</sub> for the purposes of carbon capture and storage are operating safely, allowing the state to move forward with a process that will not only help us meet our climate change goals but also create jobs for our skilled and trained workforce.

**Arguments in Support**

Supporters for this bill highlight it as a first step toward establishing a Carbon Capture and Storage market in California, by clarifying which agency has primary jurisdiction over future CO<sub>2</sub> pipelines. They also note that this bill aligns Fire Marshall oversight with federal regulation dating back to the 1980s.

**Arguments in Opposition**

None on file.

**FISCAL COMMENTS**

According to the Assembly Appropriations Committee, this bill will result in costs of an unknown, but potentially significant, amount to the Fire Marshal to establish oversight of supercritical CO<sub>2</sub> pipelines and to oversee them (special fund). Eventually the Fire Marshal should be able to recover these costs through fees.

**VOTES****ASM UTILITIES AND ENERGY: 15-0-0**

**YES:** Cristina Garcia, Patterson, Bauer-Kahan, Burke, Carrillo, Chen, Cunningham, Eduardo Garcia, Chau, Mayes, Muratsuchi, Quirk, Reyes, Santiago, Ting

**ASM APPROPRIATIONS: 16-0-0**

**YES:** Lorena Gonzalez, Bigelow, Calderon, Carrillo, Chau, Megan Dahle, Davies, Fong, Gabriel, Eduardo Garcia, Levine, Quirk, Robert Rivas, Akilah Weber, Holden, Luz Rivas

**UPDATED**

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