
**SENATE COMMITTEE ON ENERGY, UTILITIES AND
COMMUNICATIONS**

**Senator Steven Bradford, Chair
2023 - 2024 Regular**

Bill No:	SB 983	Hearing Date:	3/19/2024
Author:	Wahab		
Version:	2/29/2024 Amended		
Urgency:	No	Fiscal:	Yes
Consultant:	Sarah Smith		

SUBJECT: Energy: gasoline stations and alternative fuel infrastructure

DIGEST: This bill requires the California Energy Commission (CEC) to convene an Alternative Fuels Infrastructure Taskforce, and it requires the task force to submit a report to the Legislature with recommendations for deploying alternative fuels infrastructure at gas stations.

ANALYSIS:

Existing law:

- 1) Establishes the CEC as a five-member commission within the Natural Resources Agency and tasks the CEC with monitoring, analyzing, and making recommendations on statewide trends in the energy sector, including fuel supply and demand. (Public Resources Code §25200 et. seq.)
- 2) Establishes the Petroleum Industry Information Reporting Act of 1980 (PIIRA), which establishes requirements for oil refiners and marketers to submit specified data to the CEC and requires the CEC to analyze this data to identify trends in demand and supply for petroleum, including factors influencing gasoline price changes. Existing law requires retail transportation fueling stations to report specified information about their sales of gasoline, diesel, and other fuels to the CEC. (Public Resources Code §25350 et. seq.)
- 3) Requires the CEC to submit a report to the Legislature every three years assessing the reliability and pricing of transportation fuels, including transportation. Existing law requires this report to include an assessment of the availability of fuel retail outlets. (Public Resources Code §25371)
- 4) Requires the CEC to conduct a statewide assessment every two years of electric vehicle (EV) charging infrastructure needed to support the levels of EV adoption required for the state to meet its goals of putting at least five million zero-emission vehicles (ZEVs) on California roads by 2030, and of reducing

emissions of greenhouse gases (GHG) to 40 percent below 1990 levels by 2030. (Public Resources Code §25229)

This bill:

- 1) Establishes a 16-member Alternative Fuels Infrastructure Taskforce at the CEC, upon appropriation by the Legislature. This bill specifies the types of members that must be appointed to each seat on the task force, and this bill allows the CEC to select members meeting those criteria.
- 2) Defines an “alternative fuel” as electricity, hydrogen, or any other non-fossil fuel as determined by the Alternative Fuels Infrastructure Taskforce.
- 3) Requires the Alternative Fuels Infrastructure Taskforce to submit a study to the Legislature by January 1, 2027, with recommendations addressing the following:
 - a) Policies supporting the deployment of alternative fueling infrastructure at gas stations.
 - b) Barriers to deploying alternative fueling infrastructure at gas stations.
 - c) Best practices for complying with the Americans with Disabilities Act of 1990 while deploying alternative fueling infrastructure.
 - d) Other challenges that limit the deployment of alternative fueling infrastructure at gas stations.
- 4) Sunsets this bill on January 1, 2031.

Background

The ZEV transition poses unique challenges for gas station owners and operators. In 2022, the California Air Resources Board (CARB) adopted its Advanced Clean Cars II rule, which will require all new cars and light-duty trucks sold in California to be zero-emission by 2035. To the extent that ZEVs supplant petroleum-fueled cars, consumer demand for EV charging and clean fuels will increase as demand for petroleum declines. Gas station owners and operators are one segment of the economy that will face significant disruption as this transition occurs. Several cities have already adopted restrictions on permitting new gas stations within their jurisdictions. Gas station owners and operators also face substantial barriers to expanding EV charging at their facilities, including costs for re-designing stations, siting new infrastructure, and modifying business plans to account for the different costs and demand associated with zero-emission fuel sales. Without more

coordinated plans to transition to ZEV fueling options, gas stations may face difficulty adopting new business models and local governments may lose opportunities to address equity issues associated with the ZEV transition and options for more closely aligning ZEV infrastructure deployment with driving patterns.

What do drivers want? According to the federal Department of Energy, at least 80 percent of EV drivers charge their vehicle at home; however, surveys also show that nearly 60 percent of EV drivers with home charging also rely on public chargers more than one day each week. EV drivers who rent their home or reside at multifamily dwellings are more likely to exclusively rely on public charging. Drivers who have higher vehicle miles traveled are also more reliant on public charging. Multiple surveys of EV drivers in the United States have indicated that these drivers want EV chargers to be located along major highways and at gas stations. Surveys also indicate that EV drivers in the United States want EV charging stations to have amenities that more closely resemble those of existing gas stations: well-lit, covered charger bays, with bathrooms, convenience stores, and easy-to-read signs about the chargers' speed and price for charging. While several charger stations with these features exist in California, they are not widespread and are largely sited only in regions with exceptionally high EV adoption. To the extent that this bill helps identify opportunities to better align EV charger deployment with driver preferences, this bill may support greater EV adoption and confidence in public charging.

Need for Amendments. As currently drafted, this bill's definition of alternative fuels prohibits fossil fuels from consideration as alternative fuels; however, this bill does not clearly require these non-fossil fuels to be zero-emission resources. As a result, this bill's definition of an alternative fuel may not fully align with existing ZEV infrastructure deployment efforts. *The author and committee may wish to amend this bill's definition of alternative fuels to clarify that it only includes zero-emission fuels.*

Re-referral. Should this bill be approved by this committee, it will be re-referred to the Senate Committee on Rules.

Prior/Related Legislation

AB 1614 (Gabriel, 2023) would have required the CEC to, upon appropriations by the Legislature, consult with various stakeholders to conduct a study on the transitioning of retail gasoline fueling stations from providing gasoline to providing alternative fuels by January 1, 2027. The bill was vetoed.

AB 1074 (C. Garcia, 2015) would have required the CEC to develop a plan to deploy alternative fuel infrastructure to meet the state's climate, emissions, and economic goals. The bill was held in the Assembly Appropriations Committee.

SBX1 2 (Skinner, Chapter 1, Statutes of 2023) modified PIIRA to require refineries to submit specified data regarding their economic performance to the CEC. The bill also required the CEC to assess the reliability of transportation fuels and retail outlets for those fuels.

SB 1322 (Allen, Chapter 374, Statutes of 2022) modified PIIRA to require refiners with multiple refineries operating in the state to submit certain data about their economic performance to the CEC. The bill also increased public access to data about refiners.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

SUPPORT:

State Building and Construction Trades Council of California, Sponsor
California Alliance of Small Business Association
California Chamber of Commerce
California Fuels and Convenience Alliance
California League of Food Producers
California Manufacturing and Technology Association
Carson Chamber of Commerce
Greater Coachella Valley Chamber of Commerce
Inland Empire Economic Partnership
League of California Cities
Long Beach Area Chamber of Commerce
Los Angeles County Business Federation
Los Angeles Latino Chamber of Commerce
Murrieta/Wildomar Chamber of Commerce
San Gabriel Valley Economic Partnership
Southwest California Legislative Council
Western States Petroleum Association

OPPOSITION:

None received

ARGUMENTS IN SUPPORT: According to the Author:

To meet Governor Newsom’s 2035 net-zero emissions goal and ensure that California promotes the use of alternative fuels, developing our alternative fueling infrastructure is essential. While we pursue these goals, it is essential to keep retail gas station owners –many of whom are first generation immigrants and small business owners— included in the conversation. SB 983 will ensure that we are finding the most cost-effective solution to reach our net-zero emissions goals by bringing experts and business owners together to add to our fuel infrastructure.

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