

ENERGY LEGISLATION - 2010 REGULAR LEGISLATIVE SESSION

by
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During the 2010 Regular Legislative Session of the Louisiana State Legislature, the Technology Assessment Division of the Department of Natural Resources tracked 12 bills and resolutions that would affect the production, consumption, and/or conservation of energy in the state. This number includes six House Bills, two House Concurrent Resolutions, and four Senate Bills. Of the six bills submitted in the House of Representatives, four were signed into law by Governor Jindal. Only one of the two House Concurrent Resolutions passed. On the Senate side, two of the four bills proposed were signed into law. This report will discuss the legislation that was passed.

House Bill 495 (HB 495), proposed by Representative Harrison, provides for the ownership of monetary compensation from the sequestration of carbon. Carbon dioxide has been named as a primary greenhouse gas, and there is growing pressure from environmental advocacy groups and concerned citizens to regulate these emissions. Although there is no guarantee, many in the utilities industry and government expect controls to be put on carbon emissions in the coming years. Aside from production side emissions reductions, sequestration is seen as vital to reducing atmospheric carbon. HB 495 lays the groundwork for sequestration within any future “carbon market” by defining ownership of the monetary compensation. HB 495 became Act No. 193 when it was signed into law on June 6, 2010.

The second House Bill to be passed was House Bill 751 (HB 751) by Representative Foil. HB 751 provides for the right to install solar energy devices. Prior to this bill, neighborhood associations and similar groups could create rules that prohibit the installation of solar collectors on a property. This bill explicitly disallows these types of rules, except in the case of historic districts, historical preservations, or landmarks. HB 751 was signed into law on June 17, 2010, and it became Act No. 274.

House Bill 841 (HB 841) by Representative Arnold gives authority to the State Mineral and Energy Board to lease state lands for the purpose of alternative energy production. The bill, however, does not allow such lands to be used for cultivation, harvesting, or utilization of biomass fuels. The bill also reiterates that all hydrokinetic leases comply with the terms of any preliminary permit, license, exemption, or other authorization issued by the Federal Energy Regulatory Commission (FERC). HB 841 became Act No. 930 when it was signed into law on July 2, 2010.

The final House Bill to be passed was House Bill 699 (HB 699) by Representative Geyman. HB 699 provides for the review and audit process for performance based energy efficiency contracts by requiring approval of the Joint Legislative Committee on Budget. The bill requires the legislative auditor to post a schedule of performance audits on the website no later than February 1 of each year. HB 699 requires performance audits on each performance based energy efficiency contract in effect on or after January 1, 2010. HB 699 was signed into law on July 8, 2010 and it became Act No. 1021.

House Concurrent Resolution 184 (HCR 184), authored by Representative M. Jackson, directs the Department of Environmental Quality (DEQ) and the Department of Transportation and Development (DOTD) to study the feasibility of using compressed natural gas (CNG) buses in mass transit applications. The findings and recommendations of this study are to be reported to the House Committee on Transportation, Highways, and Public Works, as well as the House Committee on Natural Resources and Environment prior to December 31, 2010. Although the Department of Natural

Resources is not involved in the study, the Technology Assessment Division has previously worked on CNG fleet conversions, including the conversion of the downtown trolley in Baton Rouge and an ongoing fleet conversion in Shreveport. Because of the knowledge and experience gained through these programs, the Technology Assessment Division will be providing support to DEQ and DOTD in compiling their report. HCR 184 passed both chambers of the legislature without amendments and it was filed with the Secretary of State on June 18, 2010.

On the Senate side, Senate Bill 103 (SB 103) was proposed by Senator N. Gautreaux. SB 103 creates the Alternative Fuel Vehicle Revolving Loan Program within the Department of Natural Resources. The

program allows the state to provide financial assistance to “local government authorities” to cover the cost of converting all or part of their fleet to “qualified clean fuel vehicles” that run on “alternative fuels.” The Department of Natural Resources is authorized by SB 103 to promulgate rules and regulations as are necessary to implement the program in accordance with the Administrative Procedure Act. SB 103 was signed into law by the Governor on June 8, 2010 and it became Act No. 118.

The final bill tracked by the Technology Assessment Division was Senate Bill 183 (SB 183), also proposed by Senator N. Gautreaux. SB 183 is very similar to HB 841 (Act 930), as both authorize the State Mineral and Energy Board to lease state lands for the development of alternative energy sources. SB 183 became Act No. 875 when it was signed by the Governor on July 2, 2010. Both Act No. 875 and Act No. 930 made changes to Revised Statute 30:124, which can be viewed at <http://www.legis.state.la.us/lss/lss.asp?doc=86940>.

Figure 1. Refueling CNG bus in Baton Rouge

