

Senate Bill 244

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SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Exempts railroad locomotives from provisions related to low carbon fuel standards.
Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to low carbon fuel standards; amending section 6, chapter 754, Oregon Laws 2009; and de-
3 claring an emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** Section 6, chapter 754, Oregon Laws 2009, is amended to read:

6 **Sec. 6.** (1) As used in this section:

7 (a) "Greenhouse gas" has the meaning given that term in ORS 468A.210.

8 (b) "Low carbon fuel standards" means standards for the reduction of greenhouse gas emissions,
9 on average, per unit of fuel energy.

10 (c) "Motor vehicle" has the meaning given that term in ORS 801.360.

11 (d) "PADD 5 region" means the Petroleum Administration for Defense District 5 states of
12 Arizona, Nevada, Oregon and Washington.

13 (2)(a) The Environmental Quality Commission may adopt by rule low carbon fuel standards for
14 gasoline, diesel and fuels used as substitutes for gasoline or diesel.

15 (b) The commission may adopt the following related to the standards, including but not limited
16 to:

17 (A) A schedule to phase in implementation of the standards in a manner that reduces the aver-
18 age amount of greenhouse gas emissions per unit of fuel energy of the fuels by 10 percent below 2010
19 levels by the year 2020;

20 (B) Standards for greenhouse gas emissions attributable to the fuels throughout their lifecycles,
21 including but not limited to emissions from the production, storage, transportation and combustion
22 of the fuels and from changes in land use associated with the fuels;

23 (C) Provisions allowing the use of all types of low carbon fuels to meet the low carbon fuel
24 standards, including but not limited to biofuels, biogas, compressed natural gas, gasoline, diesel,
25 hydrogen and electricity;

26 (D) Standards for the issuance of deferrals, established with adequate lead time, as necessary
27 to ensure adequate fuel supplies;

28 (E) Exemptions for liquefied petroleum gas and other alternative fuels that are used in volumes
29 below thresholds established by the commission;

30 (F) Standards, specifications, testing requirements and other measures as needed to ensure the

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.
New sections are in **boldfaced** type.

1 quality of fuels produced in accordance with the low carbon fuel standards, including but not limited
 2 to the requirements of ORS 646.910 to 646.923 and administrative rules adopted by the State De-
 3 partment of Agriculture for motor fuel quality; and

4 (G) Adjustments to the amounts of greenhouse gas emissions per unit of fuel energy assigned to
 5 fuels for combustion and drive train efficiency.

6 (c) Before adopting standards under this section, the commission shall consider the low carbon
 7 fuel standards of other states, including but not limited to Washington, for the purpose of deter-
 8 mining schedules and goals for the reduction of the average amount of greenhouse gas emissions per
 9 unit of fuel energy and the default values for these reductions for applicable fuels.

10 (d) The commission shall provide exemptions and deferrals as necessary to mitigate the costs
 11 of complying with the low carbon fuel standards upon a finding by the commission that the 12-month
 12 rolling weighted average price of gasoline or diesel in Oregon is not competitive with the 12-month
 13 rolling weighted average price in the PADD 5 region.

14 (3) In adopting rules under this section, the Environmental Quality Commission shall evaluate:

15 (a) Safety, feasibility, net reduction of greenhouse gas emissions and cost-effectiveness;

16 (b) Potential adverse impacts to public health and the environment, including but not limited to
 17 air quality, water quality and the generation and disposal of waste in this state;

18 (c) Flexible implementation approaches to minimize compliance costs; and

19 (d) Technical and economic studies of comparable greenhouse gas emissions reduction measures
 20 implemented in other states and any other studies as determined by the commission.

21 (4) The provisions of this section do not apply to:

22 (a) Motor vehicles registered as farm vehicles under the provisions of ORS 805.300.

23 (b) Farm tractors, as defined in ORS 801.265.

24 (c) Implements of husbandry, as defined in ORS 801.310.

25 (d) Motor trucks, as defined in ORS 801.355, used primarily to transport logs.

26 (e) **Railroad locomotives.**

27 **SECTION 2. This 2013 Act being necessary for the immediate preservation of the public**
 28 **peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect**
 29 **on its passage.**