

By: Reynolds

H.B. No. 2227

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the analysis of inspection and maintenance requirements
3 for air quality permits issued by the Texas Commission on
4 Environmental Quality for certain oil and gas facilities.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. DEFINITION. In this Act, "commission" means the
7 Texas Commission on Environmental Quality.

8 SECTION 2. ANALYSIS OF INSPECTION AND MAINTENANCE
9 REQUIREMENTS FOR OIL AND GAS FACILITIES. (a) This section applies
10 only to a rule or requirement:

11 (1) relating to a permit by rule or a standard permit
12 for a facility described by Section [382.051961\(a\)](#), Health and
13 Safety Code; and

14 (2) that:

15 (A) is a rule or requirement of the commission in
16 effect on June 1, 2023; or

17 (B) is a proposed or approved federal rule or
18 requirement that may be implemented before December 31, 2023.

19 (b) The commission shall examine rules and requirements
20 described by Subsection (a) of this section governing:

21 (1) inspection and maintenance programs, including
22 programs that use optical gas imaging, for the detection and repair
23 of leaks from all valves, pump seals, flanges, compressor seals,
24 pressure relief valves, open-ended lines, tanks, and other process

1 and operation components of the facility that could result in
2 fugitive emissions;

3 (2) the use of venting and flaring;

4 (3) emissions of volatile organic compounds from
5 storage tanks that have the potential to emit more than one ton of
6 volatile organic compounds per year;

7 (4) emissions of nitrogen oxides from compressor
8 engines with more than 100 horsepower;

9 (5) maintenance requirements and best practices for
10 compressor stations; and

11 (6) emissions from and maintenance of pneumatic
12 devices and controllers between a wellhead and a natural gas
13 processing plant.

14 (c) The commission shall prepare a report that:

15 (1) addresses issues raised concerning the rules or
16 requirements described by Subsection (b) of this section;

17 (2) addresses the staff, technical assistance, and
18 other resources needed to incorporate any proposed or approved
19 federal rule involving emissions of methane and other pollutants
20 from facilities described by Subsection (a)(1) of this section into
21 commission rules under the state implementation plan; and

22 (3) suggests options for improving safety, preventing
23 air emissions from oil and gas equipment, including methane and
24 other useful products, and reducing emissions from facilities
25 described by Subsection (a)(1) of this section.

26 (d) In suggesting options for improvement for the purposes
27 of Subsection (c)(3) of this section, the commission may consider:

1 (1) both regulatory and incentive approaches,
2 including approaches taken in other leading oil and gas producing
3 states that would lead to improvements in air quality and public
4 health; and

5 (2) the use of federal or state funds, including funds
6 available through the methane emissions and waste reduction
7 incentive program (42 U.S.C. Section 7436) or the Texas emissions
8 reduction plan, to help reduce emissions and comply with state and
9 federal rules.

10 (e) The commission may cooperate with the Railroad
11 Commission of Texas in developing the report and obtaining public
12 comment under Subsection (f) of this section.

13 (f) Not later than January 1, 2024, the commission shall
14 issue and make available for public comment a preliminary report.
15 The commission may hold meetings to consider public comment. After
16 considering public comment, if any, but not later than June 1, 2024,
17 the commission shall post on its Internet website the final report.

18 (g) Nothing in this section prevents the commission from
19 adopting rules on the issues contained in the study.

20 SECTION 3. EXPIRATION. This Act expires August 31, 2025.

21 SECTION 4. EFFECTIVE DATE. This Act takes effect September
22 1, 2023.