

BILL ANALYSIS

C.S.H.B. 149
By: Chisum
Energy Resources
Committee Report (Substituted)

BACKGROUND AND PURPOSE

This bill is designed to indemnify the FutureGen Industrial Alliance from any liability associated with the storage of CO2 produced by FutureGen. If we protect the Alliance, the project's owner/operator, from liability resulting from the injection of CO2 we make the Texas FutureGen bid dramatically more attractive to the Alliance.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

SECTION 1. .

Defines "clean coal project" and "commission."

Requires the commission to acquire title to carbon dioxide captured by a clean coal project.

Stipulates that this does not relieve an owner or operator of a clean coal project of liability for any act or omission regarding the generation of carbon dioxide performed before the carbon dioxide was captured.

Allows commission to sell, for beneficial use, carbon dioxide that is captured by a clean coal project and not injected for permanent storage.

SECTION 2. Effective date.

EFFECTIVE DATE

September 1, 2006

COMPARISON OF ORIGINAL TO SUBSTITUTE

The substitute is a Legislative Council draft which amends the Natural Resources Code rather than the Water Code and includes a section for the effective date.