

## **BILL ANALYSIS**

C.S.H.B. 3859  
By: Bonnen  
Environmental Regulation  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Currently water conservation isn't taken into account when coal-fired electric generation facility permits are granted by the Texas Commission on Environmental Quality (TCEQ). Water is a valuable resource in Texas. The technology to reduce the amount of water used by coal-fired facilities is available, unfortunately the facilities are not taking advantage of it.

CSHB 3859 authorizes the TCEQ to grant permits for new coal-fired steam electric generating units who utilize conventional pulverized coal or circulating fluidized bed technology provided those plants use certain technology to conserve water and reduce emissions.

### **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**

CSHB 3859 amends the Health and Safety Code authorizing the Texas Commission on Environmental Quality to grant permits for new coal-fired steam electric generating units who utilize conventional pulverized coal or circulating fluidized bed technology with applications filed after or pending as of January 1, 2007, only if the unit meets the certain criteria. The unit must utilize an air-cooled condenser, or other dry cooling technology, for the steam. The unit must provide that other controls such as fuel switching or a combination or new applications and fuel switching must achieve offsetting emissions for the facilities covered by the application. This cannot result in significant project emission increases under the Nonattainment New Source Review (NNSR) or Prevention of Significant Deterioration (PSD) permitting programs for nitrogen oxides, sulfur dioxide, nor result in a net site increase in mercury emissions and must be achieved within two years of commercial operation of the new generating unit.

### **EFFECTIVE DATE**

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2007.

### **COMPARISON OF ORIGINAL TO SUBSTITUTE**

The substitute adds a date by which an application must be filed or pending to be subject to the provisions of the Act. The substitute removes the standard for the amount of water used per megawatt by the dry cooling technology.