BILL ANALYSIS

Senate Research Center 80R10907 JTT-D S.B. 1771 By: Watson Natural Resources 4/11/2007 As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Several regions of Texas have been declared by the federal government to be in air quality nonattainment because their air pollutant levels are higher than the level declared safe for human health. Areas that have been designated as non-attainment for the federal 8-hour ozone standard are Houston-Galveston, Dallas-Fort Worth, and Beaumont-Port Arthur. San Antonio, Austin, and part of East Texas participate in "Early Action Compacts," under which they voluntarily participate in certain projects and programs to avoid ever being in non-attainment. Other parts of Texas, such as Corpus Christi and El Paso, are perilously close to non-attainment.

Once an area has reached the point of non-attainment, the area is required through a state implementation plan to comply with certain restrictions and to participate in certain programs in order to attain air quality standards.

As proposed, S.B. 1771 requires the Texas Commission on Environmental Quality, if an area is in non-attainment and fails to meet the requirements of the state implementation plan or if an area that is presently in attainment becomes in non-attainment, to first adopt rules that require all technically feasible reductions of nitrogen oxides emissions from solid-fueled electric generating units that are permitted or constructed after January 1, 2007, and have nitrogen oxides emissions in excess of a certain amount.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Commission on Environmental Quality in SECTION 1 (Section 382.0173, Health and Safety Code) of this bill.

SECTION BY SECTION ANALYSIS

[While the statutory reference in this bill is to the Texas Natural Resource Conservation Commission (TNRCC), the following amendments affect the Texas Commission on Environmental Quality, as the successor agency to TNRCC.]

SECTION 1. Amends Section 382.0173, Health and Safety Code, by adding Subsections (h) and (i), as follows:

(h) Requires the Texas Natural Resource Conservation Commission's (TNRCC) first efforts to be to adopt rules that require all technically feasible reductions of nitrogen oxides emissions from solid-fueled electric generating units that are permitted or constructed after January 1, 2007, and have nitrogen oxides emissions rates that exceed 0.019 pounds per million British thermal units, if the administrator of the United States Environmental Protection Agency (EPA) determines that the state implementation plan adopted under Subsection (a) is insufficient as it relates in any area to the federal eighthour ozone standard under 40 C.F.R. Section 50.10, or if the administrator or TNRCC otherwise determines it is necessary to achieve greater reductions of nitrogen oxides emissions in any area than the reductions the state implementation plan provides for, in acting to bring the state implementation plan into sufficiency for the eight-hour ozone standard or to achieve the necessary reductions.

(i) Requires TNRCC's first efforts to be to adopt rules that require all technically feasible reductions of nitrogen oxides emissions from solid-fueled electric generating units that are permitted or constructed after January 1, 2007, and have nitrogen oxides emissions

rates that exceed 0.019 pounds per million British thermal units to the extent that the state is required to achieve reductions of nitrogen oxides emissions because the administrator of the EPA designates an area of the state as a nonattainment area for national ambient air quality standard under Section 107(d) of the federal Clean Air Act (42 U.S.C. Section 7407) after January 1, 2007.

SECTION 2. Effective date: upon passage or September 1, 2007.