

1 AN ACT

2 relating to a program to reduce the emissions of nitrogen oxides
3 from certain stationary compressor engines.

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

5 SECTION 1. Subsection (d), Section 382.051866, Health and
6 Safety Code, is amended to read as follows:

7 (d) Money in the emissions reductions incentives account
8 may be appropriated only to pay for emissions reduction project
9 incentives under a program developed under Section 382.051867
10 [~~382.051865~~] and administrative expenses associated with providing
11 the incentives or the incentive program established under that
12 section.

13 SECTION 2. Subchapter C, Chapter 382, Health and Safety
14 Code, is amended by adding Section 382.051867 to read as follows:

15 Sec. 382.051867. RICH-BURN COMPRESSOR ENGINE GRANTS.

16 (a) In this section, "rich-burn compressor engine" means a
17 spark-ignited, Otto cycle, four-stroke, naturally aspirated or
18 turbocharged compressor engine that is capable of being operated
19 with an exhaust stream oxygen concentration equal to or less than
20 0.5 percent by volume, as originally designed by the manufacturer.

21 (b) The commission by rule shall develop a grant program to
22 assist facilities in reducing emissions of nitrogen oxides from
23 stationary gas-fired, rich-burn compressor engines by installing
24 nonselective catalytic reduction systems or other

1 commission-approved control systems.

2 (c) To be eligible for a grant under the program, a person
3 must, by the dates provided by Subsection (d) or (e), as applicable,
4 install at a facility a system that limits a rich-burn compressor
5 engine's discharge of nitrogen oxides and have verified that the
6 system limits those emissions to:

7 (1) 1.00 grams per horsepower hour for an engine with a
8 rated maximum capacity of less than 500 horsepower;

9 (2) 0.60 grams per horsepower hour for an engine with a
10 rated maximum capacity of 500 horsepower or greater that is fired
11 with landfill gas; or

12 (3) 0.50 grams per horsepower hour for an engine with a
13 rated maximum capacity of 500 horsepower or greater that is fired
14 other than with landfill gas.

15 (d) Except as provided by Subsection (e), the grant program
16 must provide for a partial reimbursement of the capital costs of
17 installing a system for reducing nitrogen oxides emissions at a
18 rate of:

19 (1) 75 percent of those costs if the installation
20 occurs and the emissions reductions are verified after August 31,
21 2007, and before January 1, 2008; and

22 (2) 50 percent of those costs if the installation
23 occurs and the emissions reductions are verified after December 31,
24 2007, and before April 1, 2008.

25 (e) This subsection applies only if the Act enacting this
26 section takes immediate effect. If the Act enacting this section
27 takes immediate effect, Subsection (d) has no effect. The grant

1 program must provide for a partial reimbursement of the capital
2 costs of installing a system for reducing nitrogen oxides emissions
3 at a rate of:

4 (1) 75 percent of those costs if the installation
5 occurs and the emissions reductions are verified after April 30,
6 2007, and before August 1, 2007; and

7 (2) 50 percent of those costs if the installation
8 occurs and the emissions reductions are verified after July 31,
9 2007, and before April 1, 2008.

10 (f) The commission may adopt emergency rules under Section
11 2001.034, Government Code, with abbreviated notice, to carry out
12 any rulemaking necessary to implement this section.

13 (g) The commission may authorize the executive director to
14 enter into contracts with a public agency, private person, or other
15 entity for the purpose of implementing the emissions reduction
16 grant program developed under this section.

17 (h) This section does not affect the responsibility or
18 liability of an owner or operator of a stationary gas-fired,
19 rich-burn compressor engine to reduce emissions under this chapter
20 or a rule, permit, or order adopted under this chapter.

21 (i) The commission shall require verification of the
22 reductions associated with the program before the commission
23 distributes a grant.

24 (j) A grant under this section is contingent on the
25 availability of funds. The commission shall award grants in the
26 order in which applications with any required verification of
27 reductions are received. The commission may not pay or otherwise

1 provide a grant after August 31, 2008.

2 (k) This section expires August 31, 2008.

3 SECTION 3. Subsection (e), Section 382.051866, Health and
4 Safety Code, is repealed.

5 SECTION 4. This Act takes effect immediately if it receives
6 a vote of two-thirds of all the members elected to each house, as
7 provided by Section 39, Article III, Texas Constitution. If this
8 Act does not receive the vote necessary for immediate effect, this
9 Act takes effect September 1, 2007.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 2000 passed the Senate on May 2, 2007, by the following vote: Yeas 29, Nays 0; and that the Senate concurred in House amendment on May 24, 2007, by the following vote: Yeas 30, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 2000 passed the House, with amendment, on May 23, 2007, by the following vote: Yeas 144, Nays 0, two present not voting.

Chief Clerk of the House

Approved:

Date

Governor