

By: Eltife

S.B. No. 2000

A BILL TO BE ENTITLED

AN ACT

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

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

SECTION 1. Subsections (d) and (e), Section 382.051866, Health and Safety Code, are amended to read as follows:

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

(e) A person or an affiliate of a person who pays or contributes money to the emissions reductions incentives account is ineligible to receive money from the account under a program developed under Section 382.051867 [~~382.051865~~].

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

Sec. 382.051867. RICH-BURN COMPRESSOR ENGINE GRANTS.

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

1       (b) The commission by rule shall develop a grant program to  
2 assist facilities in reducing emissions of nitrogen oxides from  
3 stationary gas-fired, rich-burn compressor engines by installing  
4 nonselective catalytic reduction systems or other  
5 commission-approved control systems.

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

11           (1) 1.00 grams per horsepower hour for an engine with a  
12 rated maximum capacity of less than 500 horsepower;

13           (2) 0.60 grams per horsepower hour for an engine with a  
14 rated maximum capacity of 500 horsepower or greater that is fired  
15 with landfill gas; or

16           (3) 0.50 grams per horsepower hour for an engine with a  
17 rated maximum capacity of 500 horsepower or greater that is fired  
18 other than with landfill gas.

19       (d) Except as provided by Subsection (e), the grant program  
20 must provide for a partial reimbursement of the capital costs of  
21 installing a system for reducing nitrogen oxides emissions at a  
22 rate of:

23           (1) 75 percent of those costs if the installation  
24 occurs and the emissions reductions are verified after August 31,  
25 2007, and before January 1, 2008; and

26           (2) 50 percent of those costs if the installation  
27 occurs and the emissions reductions are verified after December 31,

1 2007, and before April 1, 2008.

2 (e) This subsection applies only if the Act enacting this  
3 section takes immediate effect. If the Act enacting this section  
4 takes immediate effect, Subsection (d) has no effect. The grant  
5 program must provide for a partial reimbursement of the capital  
6 costs of installing a system for reducing nitrogen oxides emissions  
7 at a rate of:

8 (1) 75 percent of those costs if the installation  
9 occurs and the emissions reductions are verified after April 30,  
10 2007, and before August 1, 2007; and

11 (2) 50 percent of those costs if the installation  
12 occurs and the emissions reductions are verified after July 31,  
13 2007, and before April 1, 2008.

14 (f) The commission may adopt emergency rules under Section  
15 2001.034, Government Code, with abbreviated notice, to carry out  
16 any rulemaking necessary to implement this section.

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

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

25 (i) The commission shall require verification of the  
26 reductions associated with the program before the commission  
27 distributes a grant.

1        (j) A grant under this section is contingent on the  
2 availability of funds. The commission shall award grants in the  
3 order in which applications with any required verification of  
4 reductions are received. The commission may not pay or otherwise  
5 provide a grant after August 31, 2008.

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

7        SECTION 3. This Act takes effect immediately if it receives  
8 a vote of two-thirds of all the members elected to each house, as  
9 provided by Section 39, Article III, Texas Constitution. If this  
10 Act does not receive the vote necessary for immediate effect, this  
11 Act takes effect September 1, 2007.