

1-1 By: Eltife S.B. No. 2000
1-2 (In the Senate - Filed April 3, 2007; April 10, 2007, read
1-3 first time and referred to Committee on Natural Resources;
1-4 April 24, 2007, reported favorably by the following vote: Yeas 9,
1-5 Nays 0; April 24, 2007, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to a program to reduce the emissions of nitrogen oxides
1-9 from certain stationary compressor engines.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Subsections (d) and (e), Section 382.051866,
1-12 Health and Safety Code, are amended to read as follows:

1-13 (d) Money in the emissions reductions incentives account
1-14 may be appropriated only to pay for emissions reduction project
1-15 incentives under a program developed under Section 382.051867
1-16 [~~382.051865~~] and administrative expenses associated with providing
1-17 the incentives or the incentive program established under that
1-18 section.

1-19 (e) A person or an affiliate of a person who pays or
1-20 contributes money to the emissions reductions incentives account is
1-21 ineligible to receive money from the account under a program
1-22 developed under Section 382.051867 [~~382.051865~~].

1-23 SECTION 2. Subchapter C, Chapter 382, Health and Safety
1-24 Code, is amended by adding Section 382.051867 to read as follows:

1-25 Sec. 382.051867. RICH-BURN COMPRESSOR ENGINE GRANTS.

1-26 (a) In this section, "rich-burn compressor engine" means a
1-27 spark-ignited, Otto cycle, four-stroke, naturally aspirated or
1-28 turbocharged compressor engine that is capable of being operated
1-29 with an exhaust stream oxygen concentration equal to or less than
1-30 0.5 percent by volume, as originally designed by the manufacturer.

1-31 (b) The commission by rule shall develop a grant program to
1-32 assist facilities in reducing emissions of nitrogen oxides from
1-33 stationary gas-fired, rich-burn compressor engines by installing
1-34 nonselective catalytic reduction systems or other
1-35 commission-approved control systems.

1-36 (c) To be eligible for a grant under the program, a person
1-37 must, by the dates provided by Subsection (d) or (e), as applicable,
1-38 install at a facility a system that limits a rich-burn compressor
1-39 engine's discharge of nitrogen oxides and have verified that the
1-40 system limits those emissions to:

1-41 (1) 1.00 grams per horsepower hour for an engine with a
1-42 rated maximum capacity of less than 500 horsepower;

1-43 (2) 0.60 grams per horsepower hour for an engine with a
1-44 rated maximum capacity of 500 horsepower or greater that is fired
1-45 with landfill gas; or

1-46 (3) 0.50 grams per horsepower hour for an engine with a
1-47 rated maximum capacity of 500 horsepower or greater that is fired
1-48 other than with landfill gas.

1-49 (d) Except as provided by Subsection (e), the grant program
1-50 must provide for a partial reimbursement of the capital costs of
1-51 installing a system for reducing nitrogen oxides emissions at a
1-52 rate of:

1-53 (1) 75 percent of those costs if the installation
1-54 occurs and the emissions reductions are verified after August 31,
1-55 2007, and before January 1, 2008; and

1-56 (2) 50 percent of those costs if the installation
1-57 occurs and the emissions reductions are verified after December 31,
1-58 2007, and before April 1, 2008.

1-59 (e) This subsection applies only if the Act enacting this
1-60 section takes immediate effect. If the Act enacting this section
1-61 takes immediate effect, Subsection (d) has no effect. The grant
1-62 program must provide for a partial reimbursement of the capital
1-63 costs of installing a system for reducing nitrogen oxides emissions
1-64 at a rate of:

