LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 28, 2009

TO: Honorable Byron Cook, Chair, House Committee on Environmental Regulation

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: **HB4082** by Farrar (Relating to reducing mercury emissions from electric generating facilities; providing for an administrative penalty.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would require that for each annual period established by the bill (May 1 through April 30 beginning from May 1, 2011 through April 30, 2012) total annual mercury or mercury compound emissions from each electric generating facility (EGF) that generates electric energy for compensation may not exceed 10 percent of the facility's total mercury and mercury compound emissions from 2002 as reported to the Texas Commission on Environmental Quality (TCEQ). For an EGF that was in operation for all or any part of 2002 or not operating at full capacity, the TCEQ would be authorized to impose for the facility a maximum allowable level that corresponds to 10 percent of an emissions level the TCEQ would estimate that the facility would have emitted had the facility operated at full capacity throughout that year. The bill would also apply to facilities which have been grandfathered for other emissions.

Additional enforcement and inspection duties of the TCEQ are expected to result in the need for 2.0 additional FTEs. This estimate assumes that related costs could be absorbed using existing agency resources.

Local Government Impact

Local or other governmental entities that own or operate EGFs subject to the bill could incur costs necessary to reduce mercury emissions in compliance with the bill. The cost would depend on the amount of mercury a particular facility would need to reduce and the necessary controls that would need to be installed to achieve that reduction.

Source Agencies: 582 Commission on Environmental Quality
LBB Staff: JOB, SD, TL