H.B. No. 3268 By: Lyne

	A BILL TO BE ENTITLED
1	AN ACT
2	relating to permits for air contaminant emissions of stationary
3	natural gas engines used in combined heating and power systems.
4	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
5	SECTION 1. Subchapter C, Chapter 382, Health and Safety
6	Code, is amended by adding Section 382.051865 to read as follows:
7	Sec. 382.051865. STATIONARY NATURAL GAS ENGINES USED IN
8	COMBINED HEATING AND POWER SYSTEM. (a) In this section, "natural
9	gas engine" includes a natural gas internal combustion engine,
10	natural gas stationary internal combustion reciprocating engine,
11	and natural gas turbine. The term does not include a natural gas
12	engine that powers a motor vehicle.
13	(b) This section applies only to a stationary natural gas
14	engine used in a combined heating and power system.
15	(c) The commission shall issue a standard permit or permit
16	by rule for stationary natural gas engines used in a combined
17	heating and power system that establishes emission limits for air

- 19 (d) The commission in adopting a standard permit or permit
- 20 by rule under this section may consider:

contaminants released by the engines.

- 21 (1) the geographic location in which a stationary
- natural gas engine may be used, including the proximity to an area 22
- 23 designated as a nonattainment area;
- 24 (2) the total annual operating hours of a stationary

18

- 1 <u>natural gas engine;</u>
- 2 (3) the technology used by a stationary natural gas
- 3 <u>engine;</u>
- 4 (4) the types of fuel used to power a stationary
- 5 natural gas engine; and
- 6 (5) other emission control policies of the state.
- 7 (e) The commission in adopting a standard permit or permit
- 8 by rule under this section may not distinguish between the end-use
- 9 functions powered by a stationary natural gas engine.
- 10 (f) The commission must provide for the emission limits for
- 11 stationary natural gas engines subject to this section to be
- 12 measured in terms of air contaminant emissions per unit of total
- 13 energy output. The commission shall consider both the primary and
- 14 secondary functions when determining the engine's emissions per
- 15 <u>unit of energy output.</u>
- SECTION 2. Not later than September 1, 2012, the Texas
- 17 Commission on Environmental Quality shall adopt any rules required
- 18 to implement Section 382.051865, Health and Safety Code, as added
- 19 by this Act.
- 20 SECTION 3. This Act takes effect immediately if it receives
- 21 a vote of two-thirds of all the members elected to each house, as
- 22 provided by Section 39, Article III, Texas Constitution. If this
- 23 Act does not receive the vote necessary for immediate effect, this
- 24 Act takes effect September 1, 2011.