

By: Carona

S.B. No. 979

A BILL TO BE ENTITLED

AN ACT

relating to energy efficiency market emission reduction credit programs established by emission reduction credit organizations.

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

SECTION 1. Section 384.001, Health and Safety Code, is amended by adding Subdivision (2-a) to read as follows:

(2-a) "Laboratory" means the Energy Systems Laboratory at the Texas Engineering Experiment Station of The Texas A&M University System.

SECTION 2. Section 384.002, Health and Safety Code, is amended to read as follows:

Sec. 384.002. PURPOSE. (a) The purpose of an area emission reduction credit organization shall be to promote the coexistence of the improvement of air quality and economic development within the region through the acquisition and distribution of emission reduction credits. Its activities may include the use of emission reduction credits to help meet federal reasonable further progress requirements as well as using emission reduction credits to facilitate the issuance of permits.

(b) An organization may establish an energy efficiency market emission reduction credit program through which a utility, municipal utility, electric cooperative, state or local government, or energy service company that has a program of energy efficiency measures established in a nonattainment or near

1 nonattainment area may register savings from that entity's energy
2 efficiency measures as emission reduction credits and sell or trade
3 the credits in an effort to reduce emissions of air pollutants in
4 urban areas of this state. Emission reduction credits gained
5 through energy efficiency measures must be certified by the
6 laboratory as having achieved the actual emission reduction.

7 SECTION 3. Section 384.014, Health and Safety Code, is
8 amended to read as follows:

9 Sec. 384.014. ANNUAL REPORT. By March 1 of each year each
10 area organization shall file with the commission, the laboratory,
11 and the regional council of governments an annual report for the
12 preceding calendar year. The annual report shall contain:

13 (1) a financial accounting;

14 (2) ~~an accounting of emission reduction credits;~~

15 and

16 (3) a listing of all emission reduction credit
17 transactions entered into by the organization, including any
18 transactions related to the creation of an energy efficiency market
19 emission reduction credit program.

20 SECTION 4. 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.