

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 19, 2011

TO: Honorable Wayne Smith, Chair, House Committee on Environmental Regulation

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

IN RE: HB1126 by Burnam (Relating to the control of emissions from crude oil and condensate storage tanks in certain areas of this state.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would require the use of vapor recovery systems or control devices on any storage tank or tank battery located in Dallas and Tarrant Counties that is used to store crude oil or condensate before custody transfer or at a pipeline breakout station. The controls would be required for storage tanks or tank batteries depending on the potential to emit volatile organic compounds (VOC) and the start date of operations. For tanks beginning operation before September 1, 2012, controls would be required on any tank or tank battery that has a potential to emit an aggregate of 10 or more tons of VOC in any 12-month period if not controlled. For tanks or tank batteries beginning operation on or after September 1, 2012, controls would be required at startup, on any tank or tank battery that has a potential to emit an aggregate of five or more tons of VOC in any 12-month period if not controlled. A vapor recovery system used to comply with this bill would be required to be operated and maintained to ensure a 95 percent minimum control efficiency.

Although the Texas Commission on Environmental Quality would be required to adopt rules to implement the legislation, passage of the bill is not expected to result in any significant fiscal implications to the agency.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 455 Railroad Commission, 582 Commission on Environmental Quality

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