| **House Bill 3268**  Senate Amendments  Section-by-Section Analysis | | |
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| HOUSE VERSION | SENATE VERSION (IE) | CONFERENCE |
| SECTION 1. Subchapter C, Chapter 382, Health and Safety Code, is amended by adding Section 382.051865 to read as follows:  Sec. 382.051865. STATIONARY NATURAL GAS ENGINES USED IN COMBINED HEATING AND POWER SYSTEM. (a) In this section, "natural gas engine" includes a natural gas internal combustion engine, natural gas stationary internal combustion reciprocating engine, and natural gas turbine. The term does not include a natural gas engine that powers a motor vehicle.  (b) This section applies only to a stationary natural gas engine used in a combined heating and power system.  (c) The commission shall issue a standard permit or permit by rule for stationary natural gas engines used in a combined heating and power system that establishes emission limits for air contaminants released by the engines.  (d) The commission in adopting a standard permit or permit by rule under this section may consider:  (1) the geographic location in which a stationary natural gas engine may be used, including the proximity to an area designated as a nonattainment area;  (2) the total annual operating hours of a stationary natural gas engine;  (3) the technology used by a stationary natural gas engine;  (4) the types of fuel used to power a stationary natural gas engine; and  (5) other emission control policies of the state.  (e) The commission in adopting a standard permit or permit by rule under this section may not distinguish between the end-use functions powered by a stationary natural gas engine.  (f) The commission must provide for the emission limits for stationary natural gas engines subject to this section to be measured in terms of air contaminant emissions per unit of total energy output. The commission shall consider both the primary and secondary functions when determining the engine's emissions per unit of energy output. | SECTION 1. Subchapter C, Chapter 382, Health and Safety Code, is amended by adding Section 382.051865 to read as follows:  Sec. 382.051865. STATIONARY NATURAL GAS ENGINES USED IN COMBINED HEATING AND POWER SYSTEM. (a) In this section, "natural gas engine" includes a natural gas internal combustion engine, natural gas stationary internal combustion reciprocating engine, and natural gas turbine. The term does not include a natural gas engine that powers a motor vehicle as defined by Section 382.003(9-a), Health and Safety Code.  (b) This section applies only to a stationary natural gas engine used in a combined heating and power system.  (c) The commission shall issue a standard permit or permit by rule for stationary natural gas engines used in a combined heating and power system that establishes emission limits for air contaminants released by the engines.  (d) The commission in adopting a standard permit or permit by rule under this section may consider:  (1) the geographic location in which a stationary natural gas engine may be used, including the proximity to an area designated as a nonattainment area;  (2) the total annual operating hours of a stationary natural gas engine;  (3) the technology used by a stationary natural gas engine;  (4) the types of fuel used to power a stationary natural gas engine; and  (5) other emission control policies of the state.  (e) The commission in adopting a standard permit or permit by rule under this section may not distinguish between the end-use functions powered by a stationary natural gas engine.  (f) The commission must provide for the emission limits for stationary natural gas engines subject to this section to be measured in terms of air contaminant emissions per unit of total energy output. The commission shall consider both the primary and secondary functions when determining the engine's emissions per unit of energy output. [FA1] |  |
| SECTION 2. Not later than September 1, 2012, the Texas Commission on Environmental Quality shall adopt any rules required to implement Section 382.051865, Health and Safety Code, as added by this Act. | SECTION 2. Same as House version. |  |
| SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2011. | SECTION 3. Same as House version. |  |