Amend SB 1727 (house committee report) as follows:

- (1) On page 2, line 18, after the semicolon, add "and".
- (2) Strike page 2, lines 19-21, and substitute the following:

## (15) the drayage truck incentive program established

- (3) On page 3, line 14, strike "at port facilities or servicing port facilities" and substitute "at seaport facilities or servicing seaport facilities".
  - (4) On page 3, line 15, add "and" after the semicolon.
- (5) On page 3, line 17, strike "<u>drilling</u>" and substitute "drilling, production, completions,".
  - (6) On page 3, line 21, strike "; and " and substitute "."
  - (7) Strike page 3, line 22, through page 4, line 3.
  - (8) On page 6, line 15, strike "gross".
- (9) On page 7, line 7, between "2013," and "by the", insert "or a later date established by the commission,".
  - (10) On page 7, line 27, strike "gross".
- (11) On page 9, lines 1 and 2, strike "[as listed for the commission under Section 386.155]" and substitute "as listed for the commission under Section 386.155".
- (12) On page 9, strike lines 24-26 and substitute the following:
- Sec. 386.181. DEFINITION; RULES. (a) In this subchapter,
  "drayage truck" means a truck that transports a load to or from a
  seaport or rail yard.
- (b) The commission may include more specific definitions in the rules or guidelines developed to implement the program established by this subchapter in order to reduce emissions in and around seaports in a nonattainment area.
- operates at a port, distribution center, or rail yard." and substitute "as determined by the commission and that the truck operates at a seaport or rail yard."
- (14) On page 10, lines 22-23, strike "port, distribution center, or rail yard in a nonattainment area or affected county" and substitute "seaport or rail yard in a nonattainment area".
  - (15) On page 11, line 1, strike "or affected county".

- (16) On page 11, line 15, strike "port, distribution center," and substitute "seaport".
  - (17) Strike page 11, line 24, through page 13, line 17.
- (18) On page 14, strike lines 22-24 and renumber subsequent subdivisions of amended Section 386.252(a), Health and Safety Code, and the reference to Section 386.252(a)(16) on page 2, line 5, accordingly.
- (19) On page 19, strike lines 22 and 23 and substitute the following:
- (3) electricity storage projects related to renewable energy, including projects to store electricity produced from wind and solar generation that provide efficient means of making the stored energy available during periods of peak energy use.
- (20) On page 21, line 21, strike "Subsections (a), (b), (c), and (d),".
- (21) On page 21, lines 23-24, strike "are amended to read as follows:" and substitute "is amended by amending Subsections (a), (b), (c), and (d) and adding Subsection (f-1) to read as follows:".
- (22) On page 23, between lines 14 and 15, insert the following:
- (f-1) An application for a grant under this section must include a certification that the applicant complies with laws, rules, guidelines, and requirements applicable to taxation of fuel provided by the applicant at each fueling facility owned or operated by the applicant. The commission may terminate a grant awarded under this section without further obligation to the grant recipient if the commission determines that the recipient did not comply with a law, rule, guideline or requirement described by this subsection. This subsection does not create a cause of action to contest an application or award of a grant.
- (23) On page 24, strike lines 2-3 and substitute the following:
  - (2) Section 386.154, Health and Safety Code;
- (24) Add the following appropriately numbered section to the bill:

SECTION \_\_\_\_. Section 386.104, Health and Safety Code, is amended by adding Subsection (f-1) to read as follows:

(f-1) The commission may establish minimum percentage reduction standards alternative to the standards established under Subsection (f) as an incentive for the conversion of heavy-duty diesel on-road vehicle engines to operate under a dual-fuel configuration that uses natural gas and diesel fuels through an alternative fuel conversion system certified by the United States Environmental Protection Agency. In determining the emissions rate of the converted vehicle and engine to compute the emissions reductions that can be attributed to the conversion system, the commission may take into account whether the emissions certification requirements for the conversion system prevent fully accounting for the emissions reductions. If the commission determines it to be necessary and appropriate, the commission may consider under this subsection certified engine test information that demonstrates nitrogen oxides emissions reductions and other information to verify the emissions reductions.

(25) Renumber the sections of the bill appropriately.