

By: Otto

H.B. No. 3189

A BILL TO BE ENTITLED

AN ACT

relating to the qualifications of certain electric generation projects for programs designed to encourage the capture and utilization of carbon dioxide for use in enhanced oil recovery.

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

SECTION 1. Section 382.003(1-a), Health and Safety Code, is amended to read as follows:

(1-a) "Advanced clean energy project" means a project for which an application for a permit or for an authorization to use a standard permit under this chapter is received by the commission on or after January 1, 2008, and before January 1, 2020, and that:

(A) ~~involves the use of coal, biomass, petroleum coke, solid waste, or fuel cells using hydrogen derived from such fuels, in~~ the generation of electricity, or the creation of liquid fuels outside of the existing fuel production infrastructure while co-generating electricity, whether the project is implemented in connection with the construction of a new facility or in connection with the modification of an existing facility and whether the project involves the entire emissions stream from the facility or only a portion of the emissions stream from the facility;

(B) with regard to the portion of the emissions stream from the facility that is associated with the project, is capable of achieving:

(i) on an annual basis, a 99 percent or

greater reduction of sulfur dioxide emissions, or:

(a) if the project is designed for the use of one or more combustion turbines, an emission rate that meets best available control technology requirements as determined by the commission; or

(b) if the project is designed for the use of feedstock substantially all of which is subbituminous coal, an emission rate of 0.04 pounds or less of sulfur dioxide per million British thermal units as determined by a 30-day average;

(ii) on an annual basis, a 95 percent or greater reduction of mercury emissions, if applicable;

(iii) an annual average emission rate for nitrogen oxides of:

(a) 0.05 pounds or less per million British thermal units; or

(b) if the project uses gasification technology, 0.034 pounds or less per million British thermal units; and

(iv) an annual average emission rate for filterable particulate matter of 0.015 pounds or less per million British thermal units; and

(C) captures not less than 50 percent of the carbon dioxide in the portion of the emissions stream from the facility that is associated with the project and sequesters that captured carbon dioxide by geologic storage or other means.

SECTION 2. SECTION 120.001(2), Natural Resources Code, is amended to read as follows:

1 (2) "Clean energy project" means a project to
2 construct an ~~coal-fueled or petroleum-coke-fueled~~ electric
3 generating facility, including a facility in which the fuel is
4 gasified before combustion, that will:

5 (A) have a capacity of at least 200 megawatts;

6 (B) meet the emissions profile for an advanced
7 clean energy project under Section 382.003(1-a)(B), Health and
8 Safety Code;

9 (C) capture at least 70 percent of the carbon
10 dioxide resulting from or associated with the generation of
11 electricity by the facility;

12 (D) be capable of permanently sequestering in a
13 geological formation the carbon dioxide captured; and

14 (E) be capable of supplying the carbon dioxide
15 captured for purposes of an enhanced oil recovery project.

16 SECTION 3. The Texas Commission on Environmental Quality
17 shall adopt rules as necessary to implement Section 382.003, Health
18 and Safety Code, as amended by this Act, not later than January 1,
19 2014.

20 SECTION 4. The Railroad Commission of Texas may adopt rules
21 as necessary to implement section 120.001(2), Natural Resources
22 Code, as amended by this Act.

23 SECTION 5. This Act takes effect immediately if it receives
24 a vote of two-thirds of all the members elected to each house, as
25 provided by Section 39, Article III, Texas Constitution. If this
26 Act does not receive the vote necessary for immediate effect, this
27 Act takes effect September 1, 2013.