

By: Hegar

S.B. No. 1204

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the qualifications of certain electric generation
3 projects for programs designed to encourage the capture and
4 utilization of carbon dioxide for use in enhanced oil recovery.

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

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

8 (1-a) "Advanced clean energy project" means a project
9 for which an application for a permit or for an authorization to use
10 a standard permit under this chapter is received by the commission
11 on or after January 1, 2008, and before January 1, 2020, and that:

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

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

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

1 greater reduction of sulfur dioxide emissions, or:

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

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

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

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

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

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

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

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

26 SECTION 2. The Texas Commission on Environmental Quality
27 shall adopt rules as necessary to implement Section 382.003, Health

1 and Safety Code, as amended by this Act, not later than January 1,
2 2014.

3 SECTION 3. This Act takes effect immediately if it receives
4 a vote of two-thirds of all the members elected to each house, as
5 provided by Section 39, Article III, Texas Constitution. If this
6 Act does not receive the vote necessary for immediate effect, this
7 Act takes effect September 1, 2013.