

By: Anchia

H.B. No. 2080

A BILL TO BE ENTITLED

AN ACT

relating to the creation and implementation of a greenhouse gas emissions reduction plan.

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

SECTION 1. The heading to Subchapter J, Chapter 382, Health and Safety Code, is amended to read as follows:

SUBCHAPTER J. [~~FEDERAL~~] GREENHOUSE GAS REPORTING [~~RULE~~]

SECTION 2. Subchapter J, Chapter 382, Health and Safety Code, is amended by adding Section 382.4515 to read as follows:

Sec. 382.4515. STATE GREENHOUSE GAS REPORTING. The commission by rule shall adopt greenhouse gas reporting requirements as necessary to implement the greenhouse gas emissions reduction plan developed under Subchapter L. The commission is not required to adopt reporting requirements in addition to federal reporting requirements if federal reporting requirements provide the commission with sufficient information to implement Subchapter L.

SECTION 3. Chapter 382, Health and Safety Code, is amended by adding Subchapter L to read as follows:

SUBCHAPTER L. GREENHOUSE GAS EMISSIONS REDUCTIONS

Sec. 382.551. DEFINITIONS. In this subchapter:

(1) "Clean Power Plan" means a final rulemaking action of the United States Environmental Protection Agency that establishes carbon pollution guidelines for existing electric

1 utility generating units under Section 111(d) of the federal Clean
2 Air Act (42 U.S.C. Section 7411).

3 (2) "Utility commission" means the Public Utility
4 Commission of Texas.

5 Sec. 382.552. EMISSIONS REDUCTION REQUIREMENT AND PLAN.

6 (a) It is the intent of the legislature that greenhouse gas
7 emissions in this state:

8 (1) comply with statewide greenhouse gas emissions
9 limits established by the Environmental Protection Agency,
10 including limits in a Clean Power Plan; and

11 (2) beginning in 2030, do not exceed 2005 emissions
12 levels.

13 (b) If a statewide greenhouse gas emissions limit
14 established by the Environmental Protection Agency requires that
15 this state reduce emissions below the level stated in Subsection
16 (a)(2), it is the intent of the legislature that this state meet the
17 federally established limit.

18 (c) The commission shall prepare a plan to meet the
19 emissions reduction requirements described by this section. The
20 plan must:

21 (1) identify the greenhouse gases that are subject to
22 the plan, one of which must be carbon dioxide;

23 (2) identify emissions reduction measures;

24 (3) evaluate the total potential costs of implementing
25 the emissions reduction measures to the economy, environment, and
26 public health in this state;

27 (4) evaluate the total potential economic and

1 noneconomic effects of implementing the emissions reduction
2 measures on the economy, environment, and public health in this
3 state; and

4 (5) evaluate the costs to this state of implementing
5 the emissions reduction measures relative to the costs to this
6 state of implementing only federal greenhouse gas emissions
7 reduction requirements.

8 (d) The commission, before the end of each successive
9 five-year period after the date the first plan is complete, shall
10 receive public comments on, review, and update the plan.

11 (e) The commission shall submit the plan and each updated
12 version of the plan to the legislature.

13 Sec. 382.553. EMISSIONS REDUCTION MEASURES. (a) The
14 commission shall design emissions reduction measures in the plan
15 developed under this subchapter so that the plan:

16 (1) achieves the maximum technologically feasible and
17 cost-effective emissions reductions;

18 (2) minimizes costs and maximizes benefits for the
19 economy of this state;

20 (3) improves and modernizes energy infrastructure and
21 maintains electric system reliability;

22 (4) maximizes the use of measures that produce both
23 environmental and economic benefits; and

24 (5) complements this state's efforts to improve air
25 quality.

26 (b) The commission shall ensure that each emissions
27 reduction measure:

1 (1) results in net savings for consumers or businesses
2 in this state;

3 (2) can be achieved without financial cost to
4 consumers or businesses in this state; or

5 (3) helps businesses in this state maintain global
6 competitiveness.

7 (c) In designing the emissions reduction measures, the
8 commission shall consider the strategies in the report prepared
9 under Section 403.028, Government Code.

10 Sec. 382.554. RULES. The commission shall adopt rules to
11 implement the plan developed under this subchapter.

12 Sec. 382.555. COLLABORATION. In designing emissions
13 reduction measures and implementing the plan developed under this
14 subchapter, the commission shall:

15 (1) collaborate with state agencies, including the
16 Department of Agriculture, the General Land Office, the Railroad
17 Commission of Texas, and the utility commission; and

18 (2) consult with the environmental justice community,
19 industry sectors, business groups, academic institutions,
20 environmental organizations, and other stakeholders.

21 Sec. 382.556. UTILITY COMMISSION; CLEAN POWER PLAN.

22 (a) The commission shall consult with the utility commission in
23 designing emissions reduction measures and implementing the plan
24 developed under this subchapter to ensure that:

25 (1) electricity and natural gas providers in this
26 state are not required to meet duplicative or inconsistent
27 regulatory requirements; and

1 (2) emissions reduction measures are consistent with
2 competitive electricity market structures and the policies of the
3 Electric Reliability Council of Texas.

4 (b) Notwithstanding any other law, the commission and the
5 utility commission:

6 (1) have the authority necessary to comply with and
7 implement a Clean Power Plan; and

8 (2) shall take measures necessary to comply with and
9 implement a Clean Power Plan.

10 (c) The commission and the utility commission shall develop
11 and adopt a memorandum of understanding as necessary to clarify or
12 provide for their respective duties, responsibilities, or
13 functions on any matter under the jurisdiction of the commission or
14 utility commission that relates to a Clean Power Plan and is not
15 expressly assigned to either the commission or utility commission.

16 Sec. 382.557. FUNDING AND SAVINGS. (a) Revenue from the
17 state gas severance taxes imposed under Chapter 201, Tax Code, and
18 state oil severance taxes imposed under Chapter 202, Tax Code, may
19 be appropriated to the commission and the utility commission to:

20 (1) cover costs of implementing the plan developed
21 under this subchapter that are not covered by revenues from permit
22 fees and penalties; and

23 (2) provide funding for projects that will provide
24 long-term reductions in greenhouse gas emissions.

25 (b) To the extent that compliance with the plan increases
26 general revenue or decreases state expenditures, it is the intent
27 of the legislature that the resulting increased or excess revenue

1 be used to:

2 (1) defray electric infrastructure costs;

3 (2) reduce property taxes;

4 (3) increase education funding; or

5 (4) provide funding for:

6 (A) hurricane preparedness;

7 (B) coastal reclamation;

8 (C) protection from sea level rise;

9 (D) strengthening Texas gulf coast oil and gas

10 infrastructure; or

11 (E) drought relief.

12 SECTION 4. As soon as practicable after the effective date
13 of this Act, the Texas Commission on Environmental Quality shall
14 prepare the plan required by, and adopt rules as necessary to
15 implement, Subchapter L, Chapter 382, Health and Safety Code, as
16 added by this Act.

17 SECTION 5. This Act takes effect September 1, 2015.