

By: Landgraf, Reynolds

H.B. No. 2361

A BILL TO BE ENTITLED

AN ACT

relating to the new technology implementation grant program administered by the Texas Commission on Environmental Quality.

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

SECTION 1. Section 391.002(b), Health and Safety Code, is amended to read as follows:

(b) Projects that may be considered for a grant under the program include:

(1) advanced clean energy projects, as defined by Section 382.003;

(2) new technology projects that reduce emissions of regulated pollutants from stationary sources;

(3) new technology projects that reduce emissions from upstream and midstream oil and gas production, completions, gathering, storage, processing, and transmission activities through:

(A) the replacement, repower, or retrofit of stationary compressor engines;

(B) the installation of systems to reduce or eliminate the loss of gas, flaring of gas, or burning of gas using other combustion control devices; or

(C) the installation of systems that reduce flaring emissions and other site emissions [~~by capturing waste heat to generate electricity solely for on-site service~~]; and

1 (4) electricity storage projects related to renewable
2 energy, including projects to store electricity produced from wind
3 and solar generation that provide efficient means of making the
4 stored energy available during periods of peak energy use.

5 SECTION 2. Section 391.205(a), Health and Safety Code, is
6 amended to read as follows:

7 (a) Except as provided by Subsection (c), in awarding grants
8 under this chapter the commission shall give preference to projects
9 that:

10 (1) involve the transport, use, recovery for use, or
11 prevention of the loss of natural resources originating or produced
12 in this state;

13 (2) contain an energy efficiency component;

14 (3) include the use of solar, wind, or other renewable
15 energy sources; ~~or~~

16 (4) recover waste heat from the combustion of natural
17 resources and use the heat to generate electricity; or

18 (5) reduce flaring emissions and other site emissions.

19 SECTION 3. Section 391.301, Health and Safety Code, is
20 amended to read as follows:

21 Sec. 391.301. RESTRICTION ON USE OF GRANT. A recipient of a
22 grant under this chapter must use the grant to pay the incremental
23 costs of the purchase, lease, or ~~and~~ installation of the project
24 for which the grant is made, which may include reasonable and
25 necessary expenses for the labor needed to install
26 emissions-reducing equipment. The recipient may ~~not~~ use the
27 grant for the costs of operating and maintaining the

1 emissions-reducing equipment.

2 SECTION 4. The changes in law made by this Act apply only to
3 a Texas emissions reduction plan grant awarded on or after the
4 effective date of this Act. A grant awarded before the effective
5 date of this Act is governed by the law in effect on the date the
6 award was made, and the former law is continued in effect for that
7 purpose.

8 SECTION 5. This Act takes effect September 1, 2021.