

AN ACT

relating to permits for air contaminant emissions of stationary natural gas engines used in combined heating and power systems.

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

SECTION 1. Subchapter C, Chapter 382, Health and Safety Code, is amended by adding Section 382.051865 to read as follows:

Sec. 382.051865. STATIONARY NATURAL GAS ENGINES USED IN COMBINED HEATING AND POWER SYSTEM. (a) In this section, "natural gas engine" includes a natural gas internal combustion engine, natural gas stationary internal combustion reciprocating engine, and natural gas turbine. The term does not include a natural gas engine that powers a motor vehicle as defined by Section 382.003(9-a), Health and Safety Code.

(b) This section applies only to a stationary natural gas engine used in a combined heating and power system.

(c) The commission shall issue a standard permit or permit by rule for stationary natural gas engines used in a combined heating and power system that establishes emission limits for air contaminants released by the engines.

(d) The commission in adopting a standard permit or permit by rule under this section may consider:

(1) the geographic location in which a stationary natural gas engine may be used, including the proximity to an area designated as a nonattainment area;

1           (2) the total annual operating hours of a stationary  
2 natural gas engine;

3           (3) the technology used by a stationary natural gas  
4 engine;

5           (4) the types of fuel used to power a stationary  
6 natural gas engine; and

7           (5) other emission control policies of the state.

8           (e) The commission in adopting a standard permit or permit  
9 by rule under this section may not distinguish between the end-use  
10 functions powered by a stationary natural gas engine.

11           (f) The commission must provide for the emission limits for  
12 stationary natural gas engines subject to this section to be  
13 measured in terms of air contaminant emissions per unit of total  
14 energy output. The commission shall consider both the primary and  
15 secondary functions when determining the engine's emissions per  
16 unit of energy output.

17           SECTION 2. Not later than September 1, 2012, the Texas  
18 Commission on Environmental Quality shall adopt any rules required  
19 to implement Section 382.051865, Health and Safety Code, as added  
20 by this Act.

21           SECTION 3. This Act takes effect immediately if it receives  
22 a vote of two-thirds of all the members elected to each house, as  
23 provided by Section 39, Article III, Texas Constitution. If this  
24 Act does not receive the vote necessary for immediate effect, this  
25 Act takes effect September 1, 2011.

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President of the Senate

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Speaker of the House

I certify that H.B. No. 3268 was passed by the House on May 13, 2011, by the following vote: Yeas 138, Nays 0, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 3268 on May 28, 2011, by the following vote: Yeas 147, Nays 0, 1 present, not voting.

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Chief Clerk of the House

I certify that H.B. No. 3268 was passed by the Senate, with amendments, on May 23, 2011, by the following vote: Yeas 31, Nays 0.

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Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

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Governor