

1-1 By: King S.B. No. 2321
1-2 (In the Senate - Filed March 11, 2025; March 25, 2025, read
1-3 first time and referred to Committee on Business & Commerce;
1-4 April 7, 2025, reported favorably by the following vote: Yeas 11,
1-5 Nays 0; April 7, 2025, sent to printer.)

1-6 COMMITTEE VOTE

1-7	Yea	Nay	Absent	PNV
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			
1-18	X			

1-19 A BILL TO BE ENTITLED
1-20 AN ACT

1-21 relating to the regulation of emissions by the Texas Commission on
1-22 Environmental Quality during an event affecting electric demand or
1-23 grid reliability.

1-24 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-25 SECTION 1. Subchapter D, Chapter 382, Health and Safety
1-26 Code, is amended by adding Section 382.086 to read as follows:

1-27 Sec. 382.086. ENFORCEMENT DURING ELECTRIC DEMAND AND
1-28 RELIABILITY EVENT. (a) The commission shall exercise the
1-29 commission's enforcement discretion to waive enforcement for
1-30 emissions from generation facilities and on-site backup generation
1-31 facilities in the ERCOT power region during a period requested by
1-32 the independent organization certified under Section 39.151,
1-33 Utilities Code, for the ERCOT power region if the independent
1-34 organization notifies the commission that electric demand and
1-35 reliability needs in the region cannot be met or that a local
1-36 electric grid reliability issue in the region exists during that
1-37 period.

1-38 (b) After the independent organization submits a
1-39 notification to the commission under Subsection (a):

1-40 (1) the independent organization shall notify market
1-41 participants in the ERCOT power region of the period in the
1-42 notification during which limits or standards described by
1-43 Subdivision (2) do not apply to the operation of a generation
1-44 facility or on-site backup generation facility in the ERCOT power
1-45 region; and

1-46 (2) notwithstanding any other law and subject to
1-47 Subsection (d), the commission may not enforce a rule or standard,
1-48 including an emissions limit or standard, hours of operation limit,
1-49 or any similar operational limit, against the owner or operator of a
1-50 generation facility or on-site backup generation facility for the
1-51 period in the notification.

1-52 (c) The owner or operator of a generation facility or
1-53 on-site backup generation facility eligible for waived enforcement
1-54 during the period in a notification submitted under Subsection (a)
1-55 shall:

1-56 (1) take commercially reasonable steps to operate
1-57 environmental controls and minimize excess emissions during the
1-58 period;

1-59 (2) maintain operational records during the period;

1-60 and

1-61 (3) submit proper documentation of the facility's

2-1 operational records to the commission, including:
2-2 (A) the facility's name;
2-3 (B) a contact name and phone number;
2-4 (C) the county in which the facility is located;
2-5 (D) the customer reference number issued to the
2-6 facility by the commission;
2-7 (E) the name of any units in the facility that
2-8 exceeded an emissions limit or standard during the period; and
2-9 (F) a description of the emissions event,
2-10 including the date, time, pollutant, quantity, and duration.
2-11 (d) The commission may not consider an exceedance of an
2-12 emissions limit or standard during a period for which a
2-13 notification is submitted under Subsection (a) as the basis for an
2-14 enforcement action against the owner or operator of a generation
2-15 facility or on-site backup generation facility unless the owner or
2-16 operator fails to submit the documentation required by Subsection
2-17 (c)(3).
2-18 (e) The owner or operator of a generation facility or an
2-19 on-site backup generation facility eligible for waived enforcement
2-20 during the period in a notification submitted under Subsection (a)
2-21 may report any exceedance of an emissions limit or standard as an
2-22 event that did not result in the emission of at least a reportable
2-23 quantity of unauthorized emissions, in accordance with commission
2-24 regulations and permit requirements.
2-25 SECTION 2. This Act takes effect September 1, 2025.

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