

1 AN ACT

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

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

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

7 Sec. 382.051865. STATIONARY NATURAL GAS ENGINES USED IN
8 COMBINED HEATING AND POWER SYSTEM. (a) In this section, "natural
9 gas engine" includes a natural gas internal combustion engine,
10 natural gas stationary internal combustion reciprocating engine,
11 and natural gas turbine. The term does not include a natural gas
12 engine that powers a motor vehicle as defined by Section
13 382.003(9-a), Health and Safety Code.

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

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

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

22 (1) the geographic location in which a stationary
23 natural gas engine may be used, including the proximity to an area
24 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.

David Newhall

President of the Senate

Joe Straus
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.

Robert Hanes
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.

Ratsy Gou
Secretary of the Senate

APPROVED: 17 JUN '11

Date

RICK PEERY
Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
* 4:00 O'CLOCK

JUN 17 2011
[Signature]
Secretary of State