

BILL ANALYSIS

Senate Research Center
81R2164 SMH-D

S.B. 126
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Natural Resources
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The pollution emitted from coal-fired power plants contributes to public health problems and global warming. If Texas were a country, it would rank eighth in the world among carbon emitters. Texas ranked among the top five states that experienced the largest absolute increases in carbon dioxide emissions from coal-fired electric generating facilities between 1990 and 2004. All electric generating facilities (including coal-fired plants) are required to apply for a state air permit which is renewed every 10 years. In addition, some of these facilities are considered "major sources" under federal regulations and are required to have a Title V federal permit. The Title V permit is required to be renewed every five years and is issued by the Texas Commission on Environmental Quality on behalf of the federal Environmental Protection Agency.

A moratorium on coal plants would increase the demand for renewable energy sources; other conventional energy sources, primarily natural gas which is much cleaner than coal, and nuclear generation, which has negligible carbon dioxide emissions; coal plants that capture and sequester carbon dioxide; and energy efficiency. This combination could easily satisfy the state's energy needs for the foreseeable future while mitigating the state's extremely high carbon emissions. Energy efficiency measures alone could help meet a significant amount of Texas' projected energy demand increase, at a fraction of the cost per kilowatt hour to build new coal plants.

As proposed, S.B. 126 imposes a two-year moratorium on the permitting of coal-fired power plants that do not capture and sequester carbon dioxide.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. (a) Defines "modification of existing facility."

(b) Prohibits the Texas Commission on Environmental Quality, a municipality, or a county, until the second anniversary of the effective date of this Act, from accepting an application for, issuing or renewing a permit, permit amendment, license, variance, or other authorization for or in connection with the construction of a new coal-fired electric generating facility or the modification of an existing coal-fired electric generating facility.

(c) Provides that this section applies to the issuance or renewal of a permit, permit amendment, license, variance, or other authorization regardless of whether the application for the authorization is pending on the effective date of this Act.

(d) Provides that this section does not apply to the construction of a new electric generating facility the carbon dioxide generated by which will be captured and sequestered in a geological formation.

SECTION 2. Effective date: upon passage or September 1, 2009.