

By: Turner of Tarrant

H.B. No. 3480

A BILL TO BE ENTITLED

AN ACT

relating to air quality permits issued by the Texas Commission on Environmental Quality for certain oil and gas facilities.

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 382.051965 to read as follows:

Sec. 382.051965. INSPECTION AND MAINTENANCE REQUIREMENTS FOR OIL AND GAS FACILITIES. (a) A permit by rule or a standard permit relating to a facility described by Section 382.051961(a) must require that:

(1) the permit holder of a new facility or an existing facility that has been modified shall establish an inspection and maintenance program for the detection and repair of leaks from all valves, pump seals, flanges, compressor seals, pressure relief valves, open-ended lines, tanks, and other process and operation components of the facility that could result in fugitive emissions;

(2) a new well drilled and completed:

(A) does not vent pipeline-quality gas; and

(B) uses flaring:

(i) only in conjunction with a reliable continuous ignition source;

(ii) only for safety reasons or for gas with a low content of flammable gas;

(iii) for not more than a total of 14 days

1 for the life of the well; and

2 (iv) in a manner that meets a 98 percent
3 destruction efficiency rate;

4 (3) emissions of volatile organic compounds from all
5 new and existing storage tanks that have the potential to emit more
6 than one ton of volatile organic compounds per year are reduced by
7 at least 95 percent through the use of mechanisms such as floating
8 tanks and vapor recovery systems;

9 (4) a compressor engine with more than 100 horsepower
10 emits not more than:

11 (A) 1.5 grams of nitrogen oxides per horsepower
12 hour, if the engine is put into operation before September 1, 2015;
13 or

14 (B) one gram of nitrogen oxides per horsepower
15 hour, if the engine is put into operation on or after September 1,
16 2015;

17 (5) all pneumatic devices and controllers between a
18 wellhead and a natural gas processing plant meet a bleed rate of not
19 more than six standard cubic feet per hour; and

20 (6) oil and gas operators have a schedule of
21 maintenance and best practices for compressor stations.

22 (b) A program described by Subsection(a)(1) must require
23 the use of leak detection equipment such as optical gas imaging
24 cameras on at least a quarterly basis.

25 (c) The commission by rule may establish exceptions to the
26 requirements of Subsection (a) if the exceptions would not increase
27 emissions or negatively affect public health.

1 (d) In adopting rules to implement this section, the
2 commission shall consider regulations adopted by major oil and gas
3 producing states and adopted or proposed federal regulations.

4 (e) Section 382.051961(b) does not apply to a commission
5 rule, a permit by rule, a standard permit, or an amendment to a
6 commission rule, a permit by rule, or a standard permit necessary to
7 implement this section.

8 SECTION 2. Not later than September 30, 2015, the Texas
9 Commission on Environmental Quality shall adopt rules as necessary
10 to implement Section 382.051965, Health and Safety Code, as added
11 by this Act. The rules must take effect not later than January 1,
12 2016.

13 SECTION 3. This Act takes effect immediately if it receives
14 a vote of two-thirds of all the members elected to each house, as
15 provided by Section 39, Article III, Texas Constitution. If this
16 Act does not receive the vote necessary for immediate effect, this
17 Act takes effect September 1, 2015.