

Texas Commission on Environmental Quality (TCEQ)
Office of Air
Tax Relief for Pollution Control Property Advisory Committee Meeting
June 17, 2013
10:00 AM – 10:57 AM
Conference Call

Minutes

Opening Remarks

1. Call to order.
Mr. Bob Adair called the meeting to order at 10:00 AM
2. Recognition of committee members present and absent.
All members except Mr. Bennett Sandlin, Roland Bieber, and Wayne Frazell participated in the call.
3. General comments from committee members and staff.
No comments were received.
4. Public comments policy discussion.
Mr. Adair re-stated the public comment policy. No action was taken.

Legislative Update regarding Tax Relief for Pollution Control Property

Mr. Chance Goodin, TCEQ, explained the impact of House Bill (HB) 1897 on the Tax Relief program. The bill has three distinct parts. Part 1 requires that final action, including completion of the initial appeals process (if an appeal is filed), be taken on Tax Relief applications within one year of the application being declared to be administratively complete. Part 2 provides for a temporary property tax exemption for equipment installed to capture, treat, and distribute landfill gas. Part 3 provides a mechanism for applicants and appraisal districts to enter into a written agreement establishing a process for tax payments and refunds during the appeals process.

Other Business:

Nominations Process for Committee Positions

Mr. Ronald Hatlett, TCEQ, explained that under the committee bylaws seven of the 13 members four-year terms are expiring this year. The members are Roland Bieber, John E Nichols, Bob Adair, Robert Castor, Wayne Frazell, Bennett Sandlin, and Leo Scherrer. The nomination process will be the same as used in 2011. In August, a notice requesting applications will be published in the *Texas Register* and posted on the Advisory Committee's Web page. The notices will provide a 30-day application period. Recommendations will be presented to the commissioners for approval during a December 2013 agenda.

Landfill Gas Capture, Cleaning, and Distribution Systems

Discussion was held regarding the applicability of Texas Tax Code, §11.31, to landfill gas capture, cleaning, and distribution systems. Representatives of Dallas Clean Energy participated in the discussion. Under §11.31(a), an applicant is not entitled to the exemption for property used to provide a service of pollution control. A landfill that installs a landfill gas control system to control their landfill gas emissions is eligible for a partial positive use determination. A third party that installs the same equipment on another party's landfill is providing a service of pollution control and the eligible equipment would be that used to control any pollution created during the process, i.e. a flare or thermal oxidizer used to control pollutants that would otherwise be emitted to the air. Committee members suggested that this issue be discussed at a future meeting during a discussion on the Cost Analysis Procedure.

Action Items

None.

Adjourn

10:57 AM