

Texas Commission on Environmental Quality (TCEQ)  
Chief Engineer's Office  
Tax Relief for Pollution Control Property Advisory Committee Meeting  
February 15, 2012  
10:02A.M. – 11:46P.M.  
TCEQ, Austin Campus, Building E, Room 201S

# Minutes

## ***Opening Remarks***

1. Call to order and recognition of committee members for the record.  
Mr. Bob Adair called the meeting to order at 10:02 a. m. with ten members present. Dr. Cyrus Reed arrived at 10:45 a.m. Mr. Mike Nasi and Mr. Greg Maxim did not attend.
2. Introduction of Mr. Lloyd Graham (new Committee member).  
Mr. Adair introduced Mr. Graham, superintendent of the La Porte Independent School District, who is the committee's newest member. Mr. Graham stated that he looks forward to being a part of the committee.
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.

## ***Election of 2012 Chairperson of Advisory Committee (required by committee bylaws)***

A motion was made to reelect Mr. Adair as committee chair. The motion was seconded and then approved without opposition.

## ***Review Draft 2011 Annual Report of Advisory Committee (required by committee bylaws)***

Committee members reviewed the [draft 2011 Annual Report](#). It was pointed out that on page three of the report the listing for Mr. Leo Scherrer is the only one that contains a professional designation. A motion was made to remove the P. E. after Mr. Scherrer's name and accept the report as written. The motion was seconded and then approved unanimously.

## ***Consider revisions to Application Form and Instructions***

Mr. Adair presented two documents, [Section 1 of Use Determination for Pollution Control Property Application](#) and [Section 1 Instructions for Use Determination for Pollution Control Property Application Form TCEQ-00611](#). There was general discussion on whether or not the question about ownership should be asked as an eligibility question in Section 1 of the application. A motion was made to have TCEQ staff prepare an amended application form and instructions for presentation at the next meeting. The motion was seconded and passed.

## ***Consider TCEQ staff's request for advice (continued discussion from 11/18/11 Advisory Committee meeting)***

Rule/regulation citation for property on the Equipment and Categories List (Tier I Table) installed as a Best Management Practice.

Mr. Tim Reidy, TCEQ Legal Staff, presented a [proposal](#) based on staff's previous proposal and a [memo](#) presented by Mr. Robert Castor during the November 18, 2011, meeting. A motion was made and seconded to adopt the proposal into agency guidance with minor grammatical and formatting changes. The motion passed.

## ***Other***

### 1. Old Business

Mr. Don Lee requested an update from staff on the status of the pending hydrotreater and heat recovery steam generator (HRSG) applications.

Mr. Minor Hibbs, TCEQ staff, explained that technical notice of deficiency letters were mailed to the hydrotreater applicants providing them with the opportunity to provide the same information that was requested from Valero. If no response is received by February 17, 2012, these applications will be considered to have been withdrawn by the applicants.

Mr. Adair asked if staff knew the status of the attorney general's opinion request made by Senators Ellis and Davis. Mr. David Hodgins, Thompson + Horton, LLP, stated that the request had been withdrawn.

Mr. Hibbs explained that staff is in the process of briefing agency management about potential options for completing the HRSG applications. The current status is the six appealed applications have not been placed on the commissioner's agenda, and the applications that are on hold are still on hold pending the outcome of the appeals.

2. New Business

Dr. Reed asked if the agency had prepared an annual report on the Tax Relief Program. Mr. Chance Goodin, TCEQ staff, explained that a report on the 2010 calendar year has recently been placed on the agency Web page and that the 2011 report will be prepared later this year.

Mr. Adair asked staff about an apparent conflict in the [bylaws](#). The document contains two sections on voting. One allows voting by e-mail or by phone and the other does not. Members expressed concern that it may be possible to submit a vote for or against a motion before the motion was even made. Mr. Reidy agreed to review the bylaws and past meeting minutes to verify which proposed amendments to the bylaws have been adopted.

3. Future Meetings

Mr. Adair will work towards scheduling the next meeting during the second quarter of 2012.

4. Public Comments

Mr. John Kennedy, Texas Taxpayers and Research Association, provided comments regarding item four of the agenda: *consider revisions to Application Form and Instructions*.

## **Adjourn**

A motion to adjourn was passed at 11:46 a. m.

## **Action Items**

- Staff will present draft versions of the application and instructions at the next meeting.
- Staff will present the programs 2010 annual report at the next meeting.
- Staff will review past committee minutes to verify which if any proposed changes have been adopted into the bylaws.

## **Next Meeting Date**

To be determined.