

Texas Commission on Environmental Quality (TCEQ)
Office of Air
Tax Relief for Pollution Control Property Advisory Committee
November 6, 2023
10:02 A.M. - 10:56 A.M.

Minutes

Opening Remarks

Bob Adair called the meeting to order at 10:02 A.M.

The following Tax Relief for Pollution Control Property Advisory Committee (Committee) members were present: Bob Adair, Charles Allred, Michelle Carder, Lloyd Graham, Adam Haynes, Justin Hyland, Hugh Landrum, Bill Longley, Greg Maxim, Michael Nasi, and Dr. Cyrus Reed. Quorum was met.

Bob Adair re-stated the public comment policy. No action was taken.

Bob Adair asked for comments from Committee members. There were no comments.

With new EPA regulations, preliminary discussion of eligibility for TCEQ Tax Relief regarding methane for oil and gas facilities, coal combustion residue, and other property

Dr. Cyrus Reed and Elizabeth Sartain with TCEQ stated they believe the EPA may have a final rule on methane by the end of the year, but there has not been an official announcement yet.

Dr. Cyrus Reed asked if the TCEQ would review a final rule to make sure that any newly required property for midstream or upstream oil and gas facilities would be on the list. Elizabeth Sartain replied that TCEQ would review the rule and stated that property used to control pollution and that meets program criteria is eligible even if it is not on the Tier I list. Applicants could file Tier II or Tier III applications. She also reminded the committee they can provide advice on revising the Tier I Table.

Preliminary discussion of eligibility for TCEQ Tax Relief of carbon capture, utilization, and sequestration property

Bob Adair gave an overview of the carbon capture utilization (CCU)/carbon capture and storage (CCS) processes. CCU/CCS are processes that capture carbon dioxide emissions from sources such as coal-fired power plants and industrial facilities, and either reuse or store it.

Bob reminded the Committee about a recommendation previously made by the Committee in 2015 about CCUS and the eligibility of CCUS equipment for a positive use determination. A discussion followed pertaining to the applicability of rules and permits as they relate to CCUS and about CCUS applications received by the Tax Relief Program.

Old business

Bob Adair requested a status on the nominations for the Committee and a status on the advice the Committee provided in December 2022.

Elizabeth Sartain with TCEQ stated nominations are scheduled to be presented to the Commissioner's meeting for their consideration on December 13, 2023. There is not a current timeline for the Committee advice that was provided in December 2022.

New business

Members were asked to check the 2024 calendar for potential meeting dates. TCEQ was asked to send out Teams invitations to the meetings.

Bob Adair anticipates an election for the chair in the first quarter of 2024.

Other comments from the public

Mr. James LeBas, a representative for the Association of Electric Companies of Texas, Texas Oil and Gas Association, Texas Chemical Council and Texas Association of Manufacturers, announced his retirement at the end of the year and bid farewell to the Committee and thanked the Committee for their work.

Adjourn

A motion to adjourn was made by Michael Nasi with a second from Dr. Cyrus Reed. The meeting adjourned at 10:56 A.M.