

Texas Commission on Environmental Quality (TCEQ)  
Office of Air  
Tax Relief for Pollution Control Property Advisory Committee  
March 28, 2025  
Meeting held in-person, online, and by phone  
10:01 A.M. – 10:41 A.M.

## **Minutes**

### ***Opening Remarks***

Bob Adair called the meeting to order at 10:01 A.M.

The following Tax Relief for Pollution Control Property Advisory Committee (Committee) members were present: Bob Adair, Charles Allred, Michelle Carder, Lloyd Graham, Justin Hyland, Hugh Landrum, Martha Landwehr, 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 general comments from Committee members and TCEQ staff. There were none.

### ***TCEQ's plan to appoint or reappoint seven members of the Advisory Committee to another four-year term***

Elizabeth Sartain with TCEQ stated the seven members of the Advisory Committee with terms expiring by the end of 2025 are three industry representatives, two appraisal district representatives, one taxing unit representative, and one independent technical expert. The *Texas Register* (TR) notice and application materials are drafted. TCEQ staff expects to post the TR notice to solicit nominations on June 6, 2025. Nominations period will open on June 6, 2025, and close on July 8, 2025. Nominations are expected to be considered at TCEQ Commission meeting on November 19, 2025.

Bob Adair stated Josh Budowsky who was appointed as an appraisal district representative last year resigned due to a job change. The term was for one year which expires at the end of 2025. Elizabeth Sartain confirmed that vacancy is included in the positions that will be open for nominations.

Bob Adair asked to state the Committee members whose terms expire at the end of 2025.

Elizabeth Sartain stated Bob Adair (industry), Michelle Carder (industry), Martha Landwehr (industry), Hugh Landrum (appraisal district), a vacant appraisal district, Bill Longley (taxing unit), and Charles Allred (independent technical expert) have terms that expire at the of 2025.

Bob Adair stated these positions are available for either reappointment or for new appointments.

### ***Review and revise/approve the draft 2024 annual report of the Advisory Committee***

Bob Adair reviewed the purpose of the report, stated that it is required by Committee bylaws, and stated the main changes in the report are in the following: Primary 2024 Actions Taken by Committee, Usefulness of Committee, and Cost of Committee. The annual report is submitted

via e-mail directly to TCEQ Commissioners, TCEQ staff, and the Executive Director. Bob Adair asked if there were any comments or questions.

Bob Adair asked for a motion to approve. Lloyd Graham made a motion to approve the annual report. Dr. Cyrus Reed seconded the motion. Bob Adair asked if there was any discussion. The motion was approved unanimously.

***TCEQ staff update on EPA final and pending rules with possible relevance to Tax Relief for Pollution Control Property***

Elizabeth Sartain stated that on March 12, 2025, the U.S. Environmental Protection Agency (EPA) announced reconsideration of several federal regulations including: Greenhouse Gas Standards and Guidelines for Fossil Fuel-Fired Power Plants (Clean Power Plan 2.0), methane rule (Title 40 Code of Federal Regulations Part 60 Subpart OOOOb and OOOOc), the National Emission Standards for Hazardous Air Pollutants (NESHAP) for Coal- and Oil-Fired Electric Generating Units (EGUs), also known as the Mercury and Air Toxics Standards (MATS) rule, and the particulate matter National Ambient Air Quality Standard (PM NAAQS). To TCEQ's knowledge, EPA has not yet provided any instructions or guidance for states on the development, submittal, or review of state plans to implement the standards currently in effect. TCEQ will continue evaluating the current rules and will be closely following EPA for any further information or guidance as it becomes available. TCEQ will wait for reconsiderations to be finalized to evaluate relevance and effect on the Tax Relief for Pollution Control Property Program (Prop 2).

Dr. Cyrus Reed asked if the reconsiderations would go through the normal proposal process and take time.

Elizabeth Sartain confirmed they should go through the proposal process and added that some reconsiderations are going through court challenges and could affect the timeline.

Elizabeth Sartain also confirmed the current PM standard of 9 micrograms per cubic meter and methane rule (OOOOOb) are in effect and newer modified sources are expected to comply with the current rules.

Dr. Cyrus Reed asked how this affects the timeline of modifying state plans.

Elizabeth Sartain stated TCEQ will proceed as they are because the rules exist as they currently do and will adjust when things change.

Michael Nasi stated none of the reconsiderations are being proposed as direct final rules except for a technical correction, which is expected to receive comments and go through the rulemaking process. There is also a joint resolution, a Congressional Review Act resolution, which may have an immediate effect on the applicability date of methane rule if it were to pass.

Dr. Cyrus Reed stated the methane fee was repealed which is separate from the methane rule.

***Continue triennial review required by Tax Code §11.31(l) and 30 TAC §17.14(b) of: Nonexclusive List in Tax Code §11.31(k) and Figure: 30 TAC §17.17(b); and Tier I Table in Figure: 30 TAC §17.14(a)***

Bob Adair stated TCEQ staff provided, at the request of the Committee, a list of Tier II application statistics which were instructional in the past.

Greg Maxim stated that he was unable to pull up the Tier I Table and asked why there were sixteen Tier II applications submitted for external floating roofs when there is a Tier I Table item A-115 for external floating roofs.

Elizabeth Sartain explained that the Secretary of State changed the location of the Texas Administrative Code (TAC) on their website and clarified that Tier I Table item A-115 applies only to tanks installed to meet or exceed 30 TAC §115.112 which applies only to tanks in specified counties. External floating roofs on tanks not located within those counties required Tier II applications.

Dr. Cyrus Reed asked if Tier I Table item A-115 should be expanded to include external floating roofs to which §115.112 does not apply.

Bob Adair asked if there is a reason TCEQ staff might advise against expanding the Tier I Table item to include the external floating roofs on these other tanks.

Elizabeth Sartain stated the Committee may offer the advice they deem appropriate.

Bob Adair raised the question does one application or a volume of applications for a particular pollution control property qualify to be added to the Tier I Table. Bob encouraged the Committee to consider and have more discussions on this topic.

Elizabeth Sartain provided some additional information about the property included on the list of Tier II applications provided by TCEQ staff, including how the list was generated, historical information, and database query limitations.

Bob Adair stated another item for triennial review is the Expedited Review List and that the Committee advice can be no change. Any comments or revisions are welcome and can be discussed between Committee meetings. The goal is to send the Committee advice to the Commissioners in December 2025.

### ***Old business***

No old business was discussed.

### ***New business***

Bob Adair reminded the committee the next quarterly meetings for 2025 are on Fridays.

Elizabeth Sartain confirmed the calendar invitations have been sent out.

### ***Other comments from the public***

There were no comments from the public.

### ***Adjourn***

A motion to adjourn was made by Michael Nasi with a second from Dr. Cyrus Reed.

The meeting adjourned at 10:41 A.M.