

Bryan W. Shaw, Ph.D., *Chairman*
Buddy Garcia, *Commissioner*
Carlos Rubinstein, *Commissioner*
Mark R. Vickery, P.G., *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

September 29, 2009

Mr. Mike Morrissey, Senior Advisor
Governor's Office
1100 San Jacinto, 4th Floor
P.O. Box 12428
Austin, Texas 78711

Re: Planned use of funds for the American Recovery and Reinvestment Act

Dear Mr. Morrissey *M. Ke*

The Texas Commission on Environmental Quality is responding to the reporting requirement in Section 5(a) of Article XII American Recovery and Reinvestment Act (ARRA), 81st Legislature, General Appropriations Act. This section directs a state agency to submit a plan to the Legislative Budget Board and the Governor specifying intended uses.

The Article XII provision provides appropriations for two ARRA grants awarded to the agency by the Environmental Protection Agency (EPA), Leaking Underground Storage Tank Trust Fund and Clean Diesel Grant. The agency was also awarded by the EPA from ARRA funds the 604(b) Water Quality Management Planning Grant. In addition, Section 29 of Article XII appropriated funds to the agency for the Texas Emission Reduction Plan program from the General Services Fund of the ARRA. The information below provides the intended use of these funds. At this time, the agency has not expended any of the ARRA funds.

The Leaking Underground Storage Tank Trust Fund

- Total Award - \$10,779,000
- Supports site investigations, site assessment, monitoring, and remediation activities when the responsible party is unknown, unwilling to cooperate, or is financially unable to clean up the site.

The Clean Diesel

- Total Award - \$1,730,000
- Provides funds for retrofitting to eligible applicants that operate one or more diesel-powered school bus. All sizes of diesel-powered school buses are eligible for a grant. A bus proposed for retrofit must have at least five years of remaining useful life, unless the applicant agrees to remove the retrofit device at the end of the life of the bus and install the device on a different eligible bus.

Mr. Mike Morrissey
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Re: Planned use of funds for the American Recovery and Reinvestment Act

The 604(b) Water Quality Management Planning

- Total Award - \$1,809,000
- Supports five water quality projects, of which, 40% of the funds are passed through to regional planning organizations for monitoring, groundwater/drinking water protections and watershed planning activities. The remaining funds support development of a watershed protection plan for the Highland Bayou region, water quality and discharge monitoring on the Rio Grande River, continuous discharge monitoring on the Pecos River, test a targeted group of private wells for bacteria, and monitoring support to the Houston Laboratory.

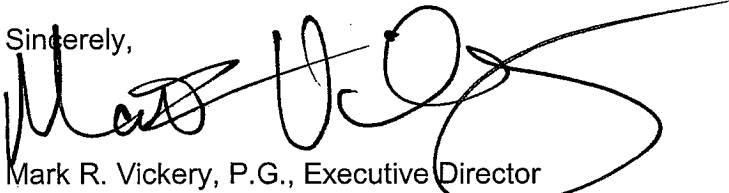
The Texas Emission Reduction Plan

- Total Anticipated Award - \$13,165,653
- Funds support the TERP Rebate Grant Program which awards incentive grants to reduce NOx emissions with a streamlined application, contracting, reimbursement, and reporting process. Persons who operate on-road, heavy-duty vehicles or non-road equipment in the TERP eligible counties in the non-attainment areas are eligible to apply for grants.

The TCEQ is dedicated to providing the highest level of transparency and accountability. Quarterly reports submitted will include expenditures and estimated jobs created or retained. The agency will submit the reports to oversight agencies on December 31, March 31, June 30 and September 30 in each year of the biennium.

If you have any questions or require additional information, please contact me at 512/239-3900.

Sincerely,



Mark R. Vickery, P.G., Executive Director
Texas Commission on Environmental Quality

MV/ES.

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TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

September 29, 2009

Mr. John O'Brien, Director
Legislative Budget Board
1501 Congress Avenue, 5th Floor
Austin, Texas 78701

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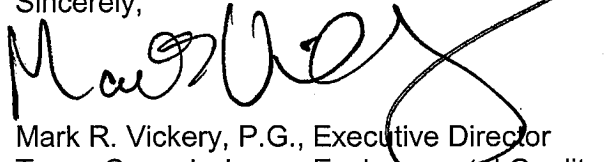
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Mark R. Vickery, P.G., Executive Director
Texas Commission on Environmental Quality

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