

BILL ANALYSIS

C.S.S.B. 712
By: Carona
Energy Resources
Committee Report (Substituted)

BACKGROUND AND PURPOSE

C.S.S.B. 712 encourages and facilitates the adoption of emerging energy and information-related technologies that either reduce overall energy consumption or reduce consumption at peak times by proposing modified efficiency goals. The bill will permanently retire old, inefficient household appliances from the market by safely recycling them. Finally, C.S.S.B. 712 requires the Public Utility Commission of Texas to establish market transformation programs for schools and homeowners.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Public Utility Commission in SECTION 1 of this bill.

ANALYSIS

SECTION 1. Amends Section 39.905, Utilities Code, as follows:

Sec. 39.905. GOAL FOR ENERGY EFFICIENCY.

- (a) Sets forth modified goals of the legislature relating to energy efficiency.
- (b) Requires the Public Utility Commission of Texas (commission) to provide oversight and adopt rules and procedures, as necessary, to ensure that the utilities can achieve the goal of this section. Deletes existing text requiring the goal to be met by January 1, 2004.
- (c) Requires a standard offer program under Subsection (a)(3) to be neutral with respect to technologies, equipment, and fuels, including thermal, chemical, mechanical, and electrical energy storage technologies.
- (d) Requires the commission to adopt certain market transformation program options that the utilities are authorized to choose in order to satisfy the goal in Subsection (a)(3).
- (e) Allows an electric utility to use up to 10 percent of the money approved for energy efficiency programs to be used for research and development.

EFFECTIVE DATE

September 1, 2005

COMPARISON OF ORIGINAL TO SUBSTITUTE

CSSB 712 deletes the provision (5) in the SB 712 which allowed utilities in their next rate case to recover costs for acquiring cost-effective energy efficiency equivalent up to 20% of the utility's growth in demand with a 5% incentive for the utility.

Moves (4) to a new subsection (e).

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