

1-1 By: Bonnen (Senate Sponsor - Armbrister) H.B. No. 2129
1-2 (In the Senate - Received from the House April 14, 2005;
1-3 April 18, 2005, read first time and referred to Committee on
1-4 Natural Resources; May 17, 2005, reported favorably, as amended,
1-5 by the following vote: Yeas 10, Nays 0; May 17, 2005, sent to
1-6 printer.)

1-7 COMMITTEE AMENDMENT NO. 1 By: Armbrister

1-8 Amend H.B. 2129 by adding the following appropriately
1-9 numbered SECTION and renumbering the subsequent SECTIONS of the
1-10 bill accordingly:

1-11 SECTION _____. Section 386.252(a), Health and Safety Code,
1-12 is amended to read as follows:

1-13 (a) Money in the fund may be used only to implement and
1-14 administer programs established under the plan and shall be
1-15 allocated as follows:

1-16 (1) for the diesel emissions reduction incentive
1-17 program, 87.5 percent of the money in the fund, of which not more
1-18 than 10 percent may be used for on-road diesel purchase or lease
1-19 incentives;

1-20 (2) for the new technology research and development
1-21 program, 9.5 percent of the money in the fund, of which up to
1-22 \$250,000 is allocated for administration, up to \$200,000 is
1-23 allocated for a health effects study, \$500,000 is to be deposited in
1-24 the state treasury to the credit of the clean air account created
1-25 under Section 382.0622 to supplement funding for air quality
1-26 planning activities in affected counties, and not less than 20
1-27 percent is to be allocated each year to support research related to
1-28 air quality for the Houston-Galveston-Brazoria and Dallas-Fort
1-29 Worth nonattainment areas by a nonprofit organization based in
1-30 Houston of which \$296,000 each year shall be contracted to the
1-31 Energy Systems Laboratory at the Texas Engineering Experiment
1-32 Station for the development and annual calculation of creditable
1-33 statewide emissions reductions obtained through wind and other
1-34 renewable energy resources for the State Implementation Plan;

1-35 (3) for administrative costs incurred by the
1-36 commission and the laboratory, three percent.

1-37 COMMITTEE AMENDMENT NO. 2 By: Armbrister

1-38 Amend H.B. 2129 by adding the following appropriately
1-39 numbered SECTION and renumbering the subsequent SECTIONS of the
1-40 bill accordingly:

1-41 SECTION _____. Amend Section 386.056, Health and Safety
1-42 Code, by adding a new subsection (e) to read as follows:

1-43 (e) The commission shall assure that emission reduction
1-44 credits may be received in the Houston-Galveston nonattainment area
1-45 for energy efficiency and urban heat island programs in connection
1-46 with the State Implementation Plan for the eight-hour ozone
1-47 standard.

1-48 COMMITTEE AMENDMENT NO. 3 By: Armbrister

1-49 Amend HB 2129 as follows:

1-50 (1) on page 3, after line 47, add a new sub item (10) to the
1-51 list of Section 31.005. CUSTOMER-OPTION PROGRAMS, section (a):

1-52 "(10) a program to encourage the use of appropriate trees or
1-53 other landscaping for energy efficiency."

1-54 COMMITTEE AMENDMENT NO. 5 By: Armbrister

1-55 Amend CSHB ____ as follows:

1-56 SECTION _____. Section 39.904, Utilities Code is amended by
1-57 adding subsection (g) to read as follows:

1-58 "(g) For installation by 2015 and in lieu of transmission

2-1 upgrades, the Commission shall establish a renewable energy credit
2-2 program of 100 megawatts of distributed generation technology in
2-3 each area that ERCOT has deemed congested and in each
2-4 non-attainment area in the state."

2-5 COMMITTEE AMENDMENT NO. 6 By: Barrientos

2-6 Amend H.B. No. 2129 by adding the following appropriately
2-7 numbered SECTION and renumbering the subsequent SECTIONS of the
2-8 bill accordingly:

2-9 SECTION _____. Subchapter B, Chapter 382, Health and Safety
2-10 Code, is amended by adding Section 382.0173 to read as follows:

2-11 Sec. 382.0173. AREAS SUBJECT TO EARLY ACTION COMPACTS.

2-12 (a) In this section:

2-13 (1) "Early action compact" has the meaning assigned by
2-14 Section 382.301.

2-15 (2) "Nonattainment area" means an area so designated
2-16 under Section 107(d) of the federal Clean Air Act (42 U.S.C. Section
2-17 7407).

2-18 (3) "Participating county" has the meaning assigned by
2-19 Section 382.301.

2-20 (b) The commission shall:

2-21 (1) consider the implementation of each air quality
2-22 control measure proposed in an early action plan submitted to the
2-23 commission pursuant to an early action compact;

2-24 (2) authorize or implement each submitted air quality
2-25 control measure that the commission determines is reasonably
2-26 necessary to ensure attainment of the eight-hour ozone national
2-27 ambient air quality standard and prevent a nonattainment
2-28 designation in a participating county, including any measure that
2-29 could be authorized or implemented in a nonattainment area; and

2-30 (3) in authorizing or implementing a submitted air
2-31 quality control measure, consider reasonable margins included in a
2-32 submitted early action plan that allow for population and
2-33 industrial growth, weather events, and scientifically accepted
2-34 margins of error in data and modeling.

2-35 (c) The commission shall authorize or implement any
2-36 subsequent revision to an air quality control measure proposed
2-37 under Subsection (b) that directly affects or requires action of a
2-38 significant portion of the general population of a participating
2-39 county only if the governing bodies of both the participating
2-40 county and the most populous municipality that has a majority of the
2-41 municipality's residents residing in the participating county
2-42 request or consent to the measure as part of an early action plan.

2-43 COMMITTEE AMENDMENT NO. 7 By: Staples

2-44 Amend Committee Amendment No. 6 for H.B. 2129 by adding the
2-45 following to Section 382.0173(b) in the appropriately numbered
2-46 Section:

2-47 "(4) This section only applies to early action compacts with
2-48 a population of 1 million, and any measure shall only apply to those
2-49 counties."

2-50 A BILL TO BE ENTITLED
2-51 AN ACT

2-52 relating to energy-saving measures that reduce the emission of air
2-53 contaminants.

2-54 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

2-55 SECTION 1. Chapter 388, Health and Safety Code, is amended
2-56 by adding Section 388.012 to read as follows:

2-57 Sec. 388.012. DEVELOPMENT OF ALTERNATIVE ENERGY-SAVING
2-58 METHODS. The laboratory shall develop at least three alternative
2-59 methods for achieving a 15 percent greater potential energy savings
2-60 in residential, commercial, and industrial construction than the
2-61 potential energy savings of construction that is in minimum
2-62 compliance with Section 388.003. The alternative methods:

2-63 (1) may include both prescriptive and

3-1 performance-based approaches, such as the approach of the United
3-2 States Environmental Protection Agency's Energy Star qualified new
3-3 home labeling program; and

3-4 (2) must include an estimate of:

3-5 (A) the implementation costs and energy savings
3-6 to consumers; and

3-7 (B) the related emissions reductions.

3-8 SECTION 2. Chapter 447, Government Code, is amended by
3-9 adding Section 447.012 to read as follows:

3-10 Sec. 447.012. APPLIANCE STANDARDS. The state energy
3-11 conservation office shall determine the feasibility and
3-12 cost-benefit to consumers of setting appliance standards for
3-13 appliances that are not currently regulated for energy efficiency
3-14 in this state, if the office determines that the new standards would
3-15 reduce the emission of air contaminants. The office may not
3-16 consider the feasibility and cost-benefit to consumers of setting
3-17 appliance standards for air conditioning systems under this
3-18 section.

3-19 SECTION 3. Chapter 31, Utilities Code, is amended by adding
3-20 Section 31.005 to read as follows:

3-21 Sec. 31.005. CUSTOMER-OPTION PROGRAMS. (a) This section
3-22 applies to:

3-23 (1) a municipally owned electric utility;

3-24 (2) an electric cooperative;

3-25 (3) an electric utility;

3-26 (4) a power marketer;

3-27 (5) a retail electric provider; and

3-28 (6) a transmission and distribution utility.

3-29 (b) An entity to which this section applies shall consider
3-30 establishing customer-option programs that encourage the reduction
3-31 of air contaminant emissions, such as:

3-32 (1) an appliance retirement and recycling program;

3-33 (2) a solar water heating market transformation
3-34 program;

3-35 (3) an air conditioning tune-up program;

3-36 (4) a program that allows the use of on-site energy
3-37 storage as an eligible efficiency measure in existing programs;

3-38 (5) a program that encourages the deployment of
3-39 advanced electricity meters;

3-40 (6) a program that encourages the installation of cool
3-41 roofing materials;

3-42 (7) a program that establishes lighting limits;

3-43 (8) a distributed energy generation technology
3-44 program; and

3-45 (9) a program that encourages the use of
3-46 high-efficiency building distribution transformers and variable
3-47 air volume fan controls.

3-48 SECTION 4. This Act takes effect September 1, 2005.

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