

By: Flores

H.B. No. 2730

A BILL TO BE ENTITLED

AN ACT

relating to energy conservation and efficiency.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 39.903(e), Utilities Code, as amended by Chapters 1394, 1451, and 1466, Acts of the 77th Legislature, Regular Session, 2001, is reenacted and amended to read as follows:

(e) The system benefit fund shall provide funding solely for the following regulatory purposes and in the following order of priority:

(1) programs to assist low-income electric customers by providing the 10 percent reduced rate prescribed by Subsection (h);

(2) customer education programs, including programs designed to educate residential and business customers about cost savings and other benefits of energy efficiency and conservation, administrative expenses incurred by the commission in implementing and administering this chapter, and expenses incurred by the office under this chapter;

(3) programs to assist low-income electric customers by providing the targeted energy efficiency programs described by Subsection (f)(2);

(4) the school funding loss mechanism provided by Section 39.901; and

(5) programs to assist low-income electric customers

1 by providing the 20 percent reduced rate prescribed by Subsection  
2 (h).

3 SECTION 2. Section 39.905, Utilities Code, is amended to  
4 read as follows:

5 Sec. 39.905. GOAL FOR ENERGY EFFICIENCY. (a) It is the  
6 goal of the legislature that:

7 (1) electric utilities will administer energy savings  
8 incentive programs in a market-neutral, nondiscriminatory manner  
9 but will not offer underlying competitive services;

10 (2) all customers, in all customer classes, have a  
11 choice of and access to energy efficiency alternatives and other  
12 choices from the market that allow each customer to reduce energy  
13 consumption and reduce energy costs; and

14 (3) each electric utility will provide, through  
15 market-based standard offer programs or limited, targeted,  
16 market-transformation programs, incentives sufficient for retail  
17 electric providers and competitive energy service providers to  
18 acquire additional cost-effective energy efficiency equivalent to  
19 at least 15 [~~10~~] percent of the electric utility's annual growth in  
20 demand.

21 (b) The commission shall provide oversight and adopt rules  
22 and procedures, as necessary, to ensure that the goal of this  
23 section is achieved [~~by January 1, 2004~~].

24 SECTION 3. This Act takes effect September 1, 2005.