

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

April 18, 2005

TO: Honorable Rodney Ellis, Chair, Senate Committee on Government Organization

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: SB408 by Nelson (Relating to the continuation and functions of the Public Utility Commission of Texas.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB408, As Introduced: an impact of \$0 through the biennium ending August 31, 2007.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2006	\$0
2007	\$0
2008	\$0
2009	\$0
2010	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from System Benefit Account 5100
2006	\$500,000
2007	\$500,000
2008	\$500,000
2009	\$500,000
2010	\$500,000

Fiscal Analysis

The bill would continue the Public Utility Commission (PUC) until September 1, 2011.

The bill would require the Electric Reliability Council of Texas (ERCOT) to perform wholesale market monitoring through a contract with a private company selected by the PUC.

The bill would expand the use of the System Benefit Account No. 5100 to include the one-time assistance of needy patients on life support or with serious health problems who are threatened with disconnection for nonpayment of electric utility bills.

The bill would take effect September 1, 2005.

Methodology

It is anticipated that requiring the Electric Reliability Council of Texas to perform wholesale market monitoring through a contract with a private company selected by the Public Utility Commission (PUC) would eliminate the need for the PUC to contract with a private company to perform wholesale market monitoring at a rate of \$1.5 million each fiscal year from the General Revenue - Dedicated System Benefit Account No. 5100, which is appropriated in the current General Appropriations Act.

PUC indicates that an estimated 5,000 customers per year would be eligible for one-time assistance of needy patients who are threatened with disconnection for nonpayment of electric utility bills. Based on information provided by the agency, it is anticipated that the average payment would be approximately \$200, resulting in payments of \$1 million each fiscal year.

PUC indicates that all other costs associated with the bill could be absorbed within existing resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 116 Sunset Advisory Commission, 473 Public Utility Commission of Texas, 475 Office of Public Utility Counsel, 529 Health and Human Services Commission

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