

By: Anchia

H.B. No. 269

A BILL TO BE ENTITLED

AN ACT

relating to energy efficiency incentive programs administered by electric utilities.

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

SECTION 1. Section 39.905, Utilities Code, is amended by amending Subsection (a) and adding Subsections (b-1) and (b-2) to read as follows:

(a) It is the goal of the legislature that:

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

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

(3) each electric utility will provide, through market-based standard offer programs or limited, targeted, market-transformation programs, incentives sufficient for retail electric providers and competitive energy service providers to acquire additional cost-effective energy efficiency equivalent to at least 50 ~~[40]~~ percent of the electric utility's annual growth in demand.

(b-1) The commission by rule shall adopt procedures to allow an increased rate of return for electric utilities complying with

1 Subsection (a)(3). The commission shall allow an additional
2 increased rate of return as an incentive for an electric utility
3 that exceeds the goal prescribed by Subsection (a)(3). In
4 establishing the increased rates of return, the commission shall
5 ensure that the additional revenue received by the electric utility
6 does not exceed the energy cost savings received by the utility's
7 customers from the energy efficiency programs.

8 (b-2) The commission by rule shall adopt guidelines and
9 procedures to ensure that each electric utility is administering
10 its energy efficiency programs provided under Subsection (a)(3)
11 with outreach efforts sufficient to ensure that all customers in
12 the utility's service area have access to the programs.

13 SECTION 2. This Act takes effect September 1, 2007.