

By: Straus

H.B. No. 3242

A BILL TO BE ENTITLED

AN ACT

relating to this state's goal for electric energy efficiency.

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

SECTION 1. Section 39.905, Utilities Code, is amended by amending Subsections (a) and (b) and adding Subsection (g) 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 10 percent of the electric utility's annual growth in demand from residential and small commercial customers; and

(4) the commission ensures the development of cost-effective and market-based load response programs.

(b) The commission shall provide oversight and adopt rules

1 and procedures, as necessary, to ensure that the utilities can
2 achieve the goal of this section. The commission shall ensure that
3 costs associated with programs provided under this section are
4 borne by the customers who receive services under the programs.

5 (g) The commission and the comptroller jointly by rule shall
6 develop a program through which customers may receive a refund of
7 not more than three percent of the taxes the customer paid for
8 electric services taxable under Chapter 151, Tax Code. To be
9 eligible for the program, a customer may not participate in a
10 program under Subsection (a)(3) and must engage in energy
11 efficiency measures that reduce electric energy consumption,
12 increase the efficiency of electric energy production, or reduce
13 peak demand. Rules adopted under this section must provide for a
14 tax refund for energy efficiency measures described by this
15 subsection that were taken on or after January 1, 2005.

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