

By: Burnam

H.B. No. 3337

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to the development and use of a comprehensive energy plan  
3 and to a corresponding temporary moratorium on authorizations for  
4 certain coal-fired electric generating facilities.

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

6 SECTION 1. Chapter 31, Utilities Code, is amended by adding  
7 Section 31.006 to read as follows:

8 Sec. 31.006. COMPREHENSIVE ELECTRIC ENERGY PLAN. (a) Not  
9 later than December 31, 2007, the commission shall develop and  
10 submit to the legislature and the governor a comprehensive electric  
11 energy plan that details this state's demand for electric  
12 generation capacity for the next 10 years, the infrastructure and  
13 technology for meeting that demand, and recommendations for meeting  
14 that demand.

15 (b) In developing the comprehensive electric energy plan,  
16 the commission shall consider and include:

17 (1) an estimate of the demand for electric generation  
18 capacity by this state for each of the next 10 years;

19 (2) the number, types, and use of existing electric  
20 generating facilities necessary for meeting the demand for  
21 generation capacity;

22 (3) the types of, and the amount of electric  
23 generation capacity from, renewable energy electric generation  
24 technology available to be used to meet the demand for generation

1 capacity;

2 (4) recommendations for building additional electric  
3 generation facilities or installing additional renewable energy  
4 electric generation technology to meet the demand for generation  
5 capacity;

6 (5) recommendations, and an analysis of costs and  
7 energy savings benefits of the recommendations, to help meet the  
8 demand for electric generating capacity by energy efficiency  
9 practices, measures, and programs, including recommendations for  
10 energy efficiency programs conducted by electric utilities as  
11 market transformation programs or standard offer programs designed  
12 to reduce system peak demand, reduce energy consumption, and reduce  
13 energy costs by encouraging or providing incentives for  
14 energy-efficient practices and equipment; and

15 (6) recommendations for increasing the use of combined  
16 heat and power systems to help meet the demand for electric  
17 generation capacity.

18 (c) The commission shall update the plan every three years  
19 to cover the next 10-year period.

20 (d) The commission shall consider the plan in accordance  
21 with Section 382.05171, Health and Safety Code, in determining  
22 whether the issuance of a permit to operate a coal-fired electric  
23 generation facility is necessary to meet the state's demand for  
24 electric generation capacity.

25 SECTION 2. Subchapter C, Chapter 382, Health and Safety  
26 Code, is amended by adding Section 382.05171 to read as follows:

27 Sec. 382.05171. REVIEW WITH COMPREHENSIVE ELECTRIC ENERGY

1 PLAN. (a) In addition to the requirements for obtaining a permit  
2 under this chapter, before the commission may issue a permit to  
3 operate a coal-fired electric generating facility, the commission  
4 shall submit an application for a permit to operate a coal-fired  
5 electric generating facility to the Public Utility Commission of  
6 Texas to determine whether the issuance of the permit is necessary  
7 to meet the state's demand for electric generation capacity as  
8 provided in the comprehensive electric energy plan under Section  
9 31.006, Utilities Code.

10 (b) On determination by the commission that an application  
11 for a permit to operate a coal-fired electric generating facility  
12 is administratively complete, the commission shall submit the  
13 application to the Public Utility Commission of Texas. Not later  
14 than the 30th day after receiving the application from the  
15 commission, the Public Utility Commission of Texas shall notify the  
16 commission of its determination of whether the issuance of the  
17 permit is necessary to meet the state's demand for electric  
18 generation capacity as provided in the comprehensive electric  
19 energy plan under Section 31.006, Utilities Code. If the Public  
20 Utility Commission does not notify the commission of its  
21 determination on or before the 30th day after receiving the  
22 application, the issuance of the permit is considered to be  
23 necessary to meet the state's demand for electric generation  
24 capacity.

25 (c) The commission may not grant a permit to operate a  
26 coal-fired electric generating facility under this chapter if the  
27 Public Utility Commission of Texas determines that the issuance of

1 the permit is not necessary to meet the state's demand for electric  
2 generation capacity as provided in the comprehensive electric  
3 energy plan under Section 31.006, Utilities Code.

4 SECTION 3. (a) In this section, "modification of existing  
5 facility" has the meaning assigned by Section 382.003, Health and  
6 Safety Code.

7 (b) Until January 1, 2008, the Texas Commission on  
8 Environmental Quality, a municipality, or a county may not accept  
9 an application for or issue, amend, or renew a permit, license,  
10 variance, or other authorization for or in connection with:

11 (1) the construction of a new coal-fired electric  
12 generating facility; or

13 (2) the modification of an existing coal-fired  
14 electric generating facility.

15 (c) This section applies to the issuance, amendment, or  
16 renewal of a permit, license, variance, or other authorization  
17 regardless of whether the application for the authorization is  
18 pending on the effective date of this Act.

19 (d) This section does not apply to the construction of a new  
20 electric generating facility that will use integrated gasification  
21 combined cycle technology.

22 SECTION 4. Section 382.05171, Health and Safety Code, as  
23 added by this Act, applies only to an application for a permit to  
24 operate a coal-fired electric generating facility for which the  
25 Texas Commission on Environmental Quality has not issued a permit  
26 before the effective date of this Act.

27 SECTION 5. This Act takes effect immediately if it receives

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1 a vote of two-thirds of all the members elected to each house, as  
2 provided by Section 39, Article III, Texas Constitution. If this  
3 Act does not receive the vote necessary for immediate effect, this  
4 Act takes effect September 1, 2007.