

A BILL TO BE ENTITLED

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AN ACT

relating to the powers, duties, and composition of the electric utility restructuring legislative oversight committee.

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

SECTION 1. Section 39.907, Utilities Code, is amended by amending Subsections (b), (e), and (h) and adding Subsections (i), (j), and (k) to read as follows:

(b) The committee is composed of six members as follows:

(1) the chair of the House Committee on Regulated Industries;

(2) the chair of the Senate Committee on Business and Commerce;

(3) the chair of the Senate Committee on Natural Resources;

(4) a member [~~three members~~] of the senate appointed by the lieutenant governor; and

(5) [~~3~~] two members of the house of representatives appointed by the speaker of the house of representatives.

(e) The committee shall:

(1) meet at least annually with the commission;

(2) receive information about rules relating to electric utility restructuring proposed by the commission and may submit comments to the commission on those proposed rules;

(3) review recommendations for legislation proposed

1 by the commission; ~~and~~

2 (4) monitor the effectiveness of electric utility
3 restructuring, including the fairness of rates, the reliability of
4 service, and the effect of stranded costs, market power, and
5 regulation on the normal forces of competition; and

6 (5) study and seek policies to ensure that fuel
7 resources available to the state are used in a balanced and
8 efficient manner and consider the reliability, economic viability,
9 and environmental impact of new fuels and generation technologies.

10 (h) The chair of the House Committee on Regulated Industries
11 and the chair of the Senate Committee on Business and Commerce ~~[one~~
12 ~~of the members of the senate serving on the committee, designated by~~
13 ~~the lieutenant governor,~~] shall serve as joint chairs of the
14 committee.

15 (i) In addition to the duties under Subsection (e), the
16 committee shall meet at least twice annually to encourage
17 cooperation and coordination with the following entities:

18 (1) the commission;

19 (2) the Texas Commission on Environmental Quality;

20 (3) the Railroad Commission of Texas;

21 (4) the Electric Reliability Council of Texas; and

22 (5) the office of the comptroller of public accounts.

23 (j) The committee shall consider and discuss policies and
24 strategies to ensure that fuel resources available to the state are
25 used in a balanced and efficient manner while taking into
26 consideration the reliability, economic viability, and
27 environmental impact of fuels and technologies, including, but not

1 limited to, the following:

2 (1) strategies which protect and preserve the
3 environment of the state while allowing for access to safe,
4 economical, and reliable sources of energy;

5 (2) strategies to ensure that customers of this state
6 have access to reliable energy;

7 (3) transmission, congestion, and transportation
8 constraints and cost, and study strategies to alleviate or prevent
9 those constraints, for the following sources of energy:

10 (A) oil and natural gas;

11 (B) coal and lignite; and

12 (C) electricity;

13 (4) capacity needs, reserve margins, market impact,
14 environmental impact, and reliability of generation, and recommend
15 strategies to ensure continued investment in generation;

16 (5) cost-effective, renewable energy, conservation,
17 and energy-efficient technologies;

18 (6) policies to ensure that fuel resources available
19 to the state are used in a balanced and efficient manner; and

20 (7) the reliability, economic viability, and
21 environmental impact of new fuels and technologies.

22 (k) Not later than November 15 of each even-numbered year,
23 the committee shall report to the governor, the lieutenant
24 governor, and the speaker of the house of representatives on the
25 committee's activities under Subsection (j).

26 SECTION 2. This Act takes effect immediately if it receives
27 a vote of two-thirds of all the members elected to each house, as

S.B. No. 484

1 provided by Section 39, Article III, Texas Constitution. If this
2 Act does not receive the vote necessary for immediate effect, this
3 Act takes effect September 1, 2007.