

1-1 By: Fraser, Harris S.B. No. 484  
1-2 (In the Senate - Filed February 7, 2007; February 14, 2007,  
1-3 read first time and referred to Committee on Business and Commerce;  
1-4 March 19, 2007, reported adversely, with favorable Committee  
1-5 Substitute by the following vote: Yeas 8, Nays 0; March 19, 2007,  
1-6 sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 484 By: Watson

1-8 A BILL TO BE ENTITLED  
1-9 AN ACT

1-10 relating to the powers, duties, and composition of the electric  
1-11 utility restructuring legislative oversight committee.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Section 39.907, Utilities Code, is amended by  
1-14 amending Subsections (b), (e), and (h) and adding Subsections (i),  
1-15 (j), and (k) to read as follows:

1-16 (b) The committee is composed of six members as follows:

1-17 (1) the chair of the House Committee on Regulated  
1-18 Industries;

1-19 (2) the chair of the Senate Committee on Business and  
1-20 Commerce;

1-21 (3) two [~~three~~] members of the senate appointed by the  
1-22 lieutenant governor; and

1-23 (4) [~~3~~] two members of the house of representatives  
1-24 appointed by the speaker of the house of representatives.

1-25 (e) The committee shall:

1-26 (1) meet at least annually with the commission;

1-27 (2) receive information about rules relating to  
1-28 electric utility restructuring proposed by the commission and may  
1-29 submit comments to the commission on those proposed rules;

1-30 (3) review recommendations for legislation proposed  
1-31 by the commission; ~~and~~

1-32 (4) monitor the effectiveness of electric utility  
1-33 restructuring, including the fairness of rates, the reliability of  
1-34 service, and the effect of stranded costs, market power, and  
1-35 regulation on the normal forces of competition; and

1-36 (5) study and seek policies to ensure that fuel  
1-37 resources available to the state are used in a balanced and  
1-38 efficient manner and consider the reliability, economic viability,  
1-39 and environmental impact of new fuels and generation technologies.

1-40 (h) The chair of the House Committee on Regulated Industries  
1-41 and the chair of the Senate Committee on Business and Commerce [~~one~~  
1-42 ~~of the members of the senate serving on the committee, designated by~~  
1-43 ~~the lieutenant governor,~~] shall serve as joint chairs of the  
1-44 committee.

1-45 (i) In addition to the duties under Subsection (e), the  
1-46 committee shall meet at least twice annually to encourage  
1-47 cooperation and coordination with the following entities:

1-48 (1) the commission;

1-49 (2) the Texas Commission on Environmental Quality;

1-50 (3) the Railroad Commission of Texas;

1-51 (4) the Electric Reliability Council of Texas; and

1-52 (5) the office of the comptroller of public accounts.

1-53 (j) The committee shall consider and discuss policies and  
1-54 strategies to ensure that fuel resources available to the state are  
1-55 used in a balanced and efficient manner while taking into  
1-56 consideration the reliability, economic viability, and  
1-57 environmental impact of fuels and technologies, including, but not  
1-58 limited to, the following:

1-59 (1) strategies which protect and preserve the  
1-60 environment of the state while allowing for access to safe,  
1-61 economical, and reliable sources of energy;

1-62 (2) strategies to ensure that customers of this state  
1-63 have access to reliable energy;

2-1 (3) transmission, congestion, and transportation  
2-2 constraints and cost, and study strategies to alleviate or prevent  
2-3 those constraints, for the following sources of energy:

2-4 (A) oil and natural gas;

2-5 (B) coal and lignite; and

2-6 (C) electricity;

2-7 (4) capacity needs, reserve margins, market impact,  
2-8 environmental impact, and reliability of generation, and recommend  
2-9 strategies to ensure continued investment in generation;

2-10 (5) cost-effective, renewable energy, conservation,  
2-11 and energy-efficient technologies;

2-12 (6) policies to ensure that fuel resources available  
2-13 to the state are used in a balanced and efficient manner; and

2-14 (7) the reliability, economic viability, and  
2-15 environmental impact of new fuels and technologies.

2-16 (k) Not later than November 15 of each even-numbered year,  
2-17 the committee shall report to the governor, the lieutenant  
2-18 governor, and the speaker of the house of representatives on the  
2-19 committee's activities under Subsection (j).

2-20 SECTION 2. This Act takes effect immediately if it receives  
2-21 a vote of two-thirds of all the members elected to each house, as  
2-22 provided by Section 39, Article III, Texas Constitution. If this  
2-23 Act does not receive the vote necessary for immediate effect, this  
2-24 Act takes effect September 1, 2007.

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