

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 26, 2007

TO: Honorable Phil King, Chair, House Committee on Regulated Industries

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: SB896 by Fraser (Relating to procedures of the Public Utility Commission of Texas with regard to certain transactions.), **As Engrossed**

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| <p>No significant fiscal implication to the State is anticipated.</p> |
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The bill would amend the Utilities Code relating to procedures of the Public Utility Commission (PUC) with regard to certain transactions by prohibiting a public utility, holding company, or affiliate from conducting certain transactions unless the PUC approves the transaction and specifying criteria for analyzing each transaction. The bill would also require the PUC to conduct a public hearing on a transaction and impose conditions that are deemed necessary by the PUC before granting approval of a transaction subject to the provisions of the bill. This bill would require the PUC to adopt certain rules relating to the provisions of this bill and require the PUC to report certain information to the legislature, relating to the status of a transaction, on certain dates.

Based on the analysis of the PUC, it is assumed that the duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

This bill would take effect immediately upon receiving a vote of two-thirds of all members elected to each house or would otherwise take effect on September 1, 2007.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 473 Public Utility Commission of Texas

LBB Staff: JOB, JRO, TGI