

## **BILL ANALYSIS**

C.S.H.B. 1993  
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Energy Resources  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Devastating hurricanes can leave millions of Texans without power for days. In 2008, Hurricane Ike resulted in an estimated \$20 billion in economic losses to Texas and compromised the health and safety of Texans who live in storm-ravaged regions.

Texas has a vital interest in ensuring that certain critical governmental buildings have sophisticated systems of backup power generation. These include command and control centers, hospitals, shelters, prisons, jails, police and fire stations, communications centers, data centers, water and wastewater facilities, hazardous waste storage facilities, biological research facilities, and food preparation and food storage facilities. Conventional emergency backup generators are unsuited for outages lasting more than a few hours.

C.S.H.B. 1993 requires certain critical governmental buildings, at the time of construction or major renovations, to implement technologies like combined heat and power that are capable of supplying electricity to the building for a minimum of 14 days and achieve 60 percent efficiency.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that rulemaking authority is expressly granted to the State Energy Conservation Office in SECTION 1 of this bill.

### **ANALYSIS**

C.S.H.B. 1993 amends the Government Code to require the entity with charge and control of a critical governmental facility, when constructing or extensively renovating the facility or replacing major heating, ventilation, and air-conditioning equipment for the facility, to evaluate whether equipping the facility with a combined heating and power system would result in expected energy savings that would exceed the expected costs of purchasing, operating, and maintaining the system over a 20-year period. The bill authorizes the entity to equip the facility with a combined heating and power system if the expected energy savings exceed the expected costs.

C.S.H.B. 1993 defines "combined heating and power system" to mean a system that is located on the site of a facility, is the primary source of both electricity and thermal energy for the facility, can provide all of the electricity needed to power the facility's critical emergency operations for at least 14 days, and has an overall efficiency of energy use that exceeds 60 percent.

C.S.H.B. 1993 defines "critical governmental facility" to mean a building owned by the state or a political subdivision of the state that is expected to be continuously occupied, maintain operations for at least 6,000 hours each year, have a peak electricity demand exceeding 500 kilowatts, and serve a critical public health or public safety function during a natural disaster or other emergency situation that may result in a widespread power outage, including a:

- command and control center;

- shelter;
- prison or jail;
- police or fire station;
- communications or data center;
- water or wastewater facility;
- hazardous waste storage facility;
- biological research facility;
- hospital; or
- food preparation or food storage facility.

C.S.H.B. 1993 requires the State Energy Conservation Office to adopt rules governing the responsibility for payment of expenses in connection with the evaluation. The bill requires the rules, to the extent possible, to provide for the evaluation to be conducted by a third party willing to conduct the analysis without cost to the governmental entity or a potential provider of services in connection with the construction or extensive renovation of a critical governmental facility or the replacement of major heating, ventilation, and air-conditioning equipment for a critical governmental facility. The bill requires the rules to provide for the payment of expenses from federal funds.

#### **EFFECTIVE DATE**

September 1, 2009.

#### **COMPARISON OF ORIGINAL AND SUBSTITUTE**

C.S.H.B. 1993 adds a provision not in the original to require the State Energy Conservation Office to adopt rules.

C.S.H.B. 1993 differs from the original in nonsubstantive ways by making technical and grammatical corrections.