

By: Ellis

S.B. No. 1191

A BILL TO BE ENTITLED

AN ACT

relating to this state's goal for reducing statewide peak electric demand through demand response and load management programs.

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

SECTION 1. Section 39.905(a), Utilities Code, is amended to read as follows:

(a) It is the goal of the legislature that:

(1) electric utilities will administer energy efficiency incentive programs in a market-neutral, nondiscriminatory manner but will not offer underlying competitive services;

(2) all customers, in all customer classes, will have a choice of and access to energy efficiency alternatives and other choices from the market that allow each customer to reduce energy consumption, peak demand, or energy costs;

(3) each electric utility will provide, through market-based standard offer programs or limited, targeted, market-transformation programs, incentives sufficient for retail electric providers and competitive energy service providers to acquire additional cost-effective energy efficiency for residential and commercial customers equivalent to at least:

(A) 10 percent of the electric utility's annual growth in demand of residential and commercial customers by December 31, 2007;

1 (B) 15 percent of the electric utility's annual
2 growth in demand of residential and commercial customers by
3 December 31, 2008, provided that the electric utility's program
4 expenditures for 2008 funding may not be greater than 75 percent
5 above the utility's program budget for 2007 for residential and
6 commercial customers, as included in the April 1, 2006, filing; and

7 (C) 20 percent of the electric utility's annual
8 growth in demand of residential and commercial customers by
9 December 31, 2009, provided that the electric utility's program
10 expenditures for 2009 funding may not be greater than 150 percent
11 above the utility's program budget for 2007 for residential and
12 commercial customers, as included in the April 1, 2006, filing;

13 (4) each electric utility in the ERCOT region shall
14 use its best efforts to encourage and facilitate the involvement of
15 the region's retail electric providers in the delivery of
16 efficiency programs and demand response programs under this
17 section;

18 (5) retail electric providers in the ERCOT region, and
19 electric utilities outside of the ERCOT region, shall provide
20 customers with energy efficiency educational materials; ~~and~~

21 (6) notwithstanding Subsection (a)(3), electric
22 utilities shall continue to make available, at 2007 funding and
23 participation levels, any load management standard offer programs
24 developed for industrial customers and implemented prior to May 1,
25 2007; and

26 (7) each electric utility shall implement load
27 management and demand response programs sufficient to achieve, in

1 addition to any reduction resulting from a program in existence on
2 January 1, 2009, reductions in that utility's peak demand in
3 amounts equivalent to at least:

4 (A) one percent by December 31, 2010;

5 (B) two percent by December 31, 2012;

6 (C) three percent by December 31, 2014;

7 (D) four percent by December 31, 2016; and

8 (E) five percent by December 31, 2018.

9 SECTION 2. This Act takes effect immediately if it receives
10 a vote of two-thirds of all the members elected to each house, as
11 provided by Section 39, Article III, Texas Constitution. If this
12 Act does not receive the vote necessary for immediate effect, this
13 Act takes effect September 1, 2009.