

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

March 22, 2009

TO: Honorable Burt R. Solomons, Chair, House Committee on State Affairs

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

IN RE: HB1643 by Farabee (Relating to net metering for retail electric service customers and compensation for excess electricity generated by certain renewable energy technology generators.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would require the Public Utility Commission (PUC) to adopt rules requiring an electric utility, retail electric provider, electric cooperative, or municipally owned utility to offer net metering service to all retail customers. The bill would require the rules to provide for fair market compensation to retail customers who have an eligible on-site generation facility and for a customer to earn credit for electricity delivered to the grid. The bill would also require the PUC to adopt rules establishing eligibility standards for on-site renewable energy facilities to be compensated.

The PUC indicates that any costs associated with implementing the provisions of the bill could be absorbed within the agency's existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 473 Public Utility Commission of Texas

LBB Staff: JOB, KJG, ES