

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 28, 2009

TO: Honorable Jim Keffer, Chair, House Committee on Energy Resources

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

IN RE: HB1993 by Anchia (Relating to certain energy security technologies for critical governmental facilities.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Government Code to require state and local governmental entities, when constructing or renovating a critical governmental facility (CGF) or replacing major heating, ventilation, and air-conditioning equipment for a CGF, to evaluate whether equipping the CGF 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 entity may equip the facility with a combined heating and power system if the expected energy savings would exceed the expected costs. The State Energy Conservation Office would be required to adopt rules governing the responsibility for payment of expenses in connection with the required evaluation.

It is assumed the requirements of the bill would have a minimal cost to perform the evaluation, and that this cost would be absorbed by the agency as part of the cost of a planned CGF construction or renovation project.

If it is determined that it would be cost effective to utilize a combined heating and power system, then there would be initial costs that would be offset by future savings.

Local Government Impact

One local entity reported the cost for a consultant to perform the evaluation of a system is an estimated \$10,000 per facility.

The costs to local governmental entities to obtain an evaluation of a facility's system could be significant depending on the number of critical governmental facilities that require an evaluation.

Source Agencies: 303 Facilities Commission, 405 Department of Public Safety, 529 Health and Human Services Commission, 694 Youth Commission, 696 Department of Criminal Justice, 771 School for the Blind and Visually Impaired, 772 School for the Deaf

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