

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**May 11, 2009**

**TO:** Honorable Troy Fraser, Chair, Senate Committee on Business & Commerce

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

**IN RE: HB2421** by Solomons (Relating to the independent organization certified to perform certain functions for a power region.), **As Engrossed**

<b>No significant fiscal implication to the State is anticipated.</b>
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The bill would require the Sunset Advisory Commission to conduct a special-purpose review of the Electric Reliability Council of Texas as part of its review of the Public Utility Commission (PUC).

The bill would amend Section 39.151(g) of the Utilities Code to provide that an independent organization must operate a regional electrical network that is contained wholly within the borders of the State of Texas in order to maintain certification with the Public Utility Commission (PUC). The bill would also modify the composition and selection of independent organization's governing body. The bill would require the PUC to conduct a rulemaking to conform existing rules relating to independent organizations to the bill's provisions.

The Sunset Advisory Commission indicates it could absorb the costs associated with the bill within its current resources.

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:** 116 Sunset Advisory Commission, 473 Public Utility Commission of Texas

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