

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 6, 2009

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

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

IN RE: HB2520 by Swinford (Relating to the state's goal for electric generating capacity derived from emerging renewable energy resources.), **As Introduced**

<p>No significant fiscal implication to the State is anticipated.</p>

The bill would extend the renewable portfolio standard in current law and in the bill to municipal utilities and electric cooperatives. The bill would establish a goal of an additional 3,000 megawatts of generating capacity from emerging renewable energy resources by 2020, with yearly benchmarks for new, cumulative installed capacity.

The bill would require the Public Utility Commission (PUC) to adopt rules to administer and enforce these provisions by January 1, 2010. The Commission would be required to establish a renewable energy credits trading program for emerging renewable energy and to establish an alternative compliance payment. The bill would authorize the PUC to establish a cap on the price of emerging renewable energy credits and to suspend the goal of generating capacity from emerging renewable energy resources established by this bill if such suspension is necessary to protect the reliability and operation of the grid.

The PUC indicates it could absorb the costs associated with implementing the provisions of the bill within its current resources.

Local Government Impact

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

Source Agencies: 473 Public Utility Commission of Texas

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