

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 5, 2009

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

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

IN RE: HB3125 by Turner, Sylvester (Relating to the change in fuel mandates for the percent of megawatts of generating capacity installed.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would repeal sections 39.9044 and 39.9048 of the Utilities Code. Section 39.9044 establishes a requirement that a minimum of 50 percent of the new generating capacity in Texas, other than renewable energy technologies, be fired by natural gas. This section also requires the Public Utility Commission (PUC) to establish a natural gas energy credits trading program. Section 39.9048 expressed that it is the intent of the legislature that the cost of generating electricity remain as low as possible and that the state establish and publicize a program to keep the costs of fuel, such as natural gas, used for generating electricity low. The bill would require the PUC to amend current rules to conform to the provisions of the bill.

Based on the analysis of the PUC, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing 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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