

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 6, 2009

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

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

IN RE: SB1821 by Fraser (Relating to a study with regard to, and the implementation of policies to promote, the adoption of plug-in hybrid electric vehicles.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would require the Public Utility Commission (PUC) to conduct a study and submit a report to the 82nd Legislature regarding the potential for wide-scale adoption of plug-in hybrid electric vehicles. The bill would require the report to include: (1) a summary and evaluation of studies by other organizations; (2) a summary and evaluation of studies quantifying air quality benefits; (3) an evaluation of the sufficiency of existing and planned metering infrastructure, settlement policies, and retail pricing offers; (4) an evaluation by transmission and distribution utilities of the potential impact of increased loading on distribution transformers, and; (5) recommendations to the legislature relating to legislation to support the adoption of plug-in hybrid electric vehicles while maintaining a reliable transmission and distribution grid.

The bill would authorize the PUC to adopt rules as necessary to ensure that adequate electric infrastructure and policies are in place to support the adoption of plug-in hybrid vehicles. The bill would require the PUC to consult with the Electric Reliability Council of Texas, transmission and distribution utilities, and the Texas Commission on Environmental Quality (TCEQ) to conduct the study.

Based on the analysis of the PUC and TCEQ, 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, 582 Commission on Environmental Quality

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