

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 13, 2009

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

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

IN RE: SB2349 by Ogden (Relating to distributed generation of electric power.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would establish a definition of a distributed generation facility (DGF) and would authorize DGF owners to sell power at wholesale rates. The bill would require electric utilities and retail electric providers to purchase DGF generated power and would authorize the Public Utility Commission to establish reasonable wholesale rates. The bill would require the Public Utility Commission to adopt rules to establish simplified filing requirements for DGFs and would broaden PUC jurisdiction over municipal utilities and electric cooperatives for the purposes of pricing of energy supplied by DGF.

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

LBB Staff: JOB, JRO, ES