

BILL ANALYSIS

H.B. 2498
By: Frullo
State Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

During the implementation of the restructuring of the Texas electric utility industry, the legislature decided that certain service areas should not be restructured at the time. One such service area that lies outside the Electric Reliability Council of Texas (ERCOT) in the southwest power pool was exempted from energy efficiency goals as well. In recent years, the legislature and the Public Utility Commission of Texas (PUC) have emphasized the importance of energy efficiency by increasing the goals in a measured and thoughtful manner. Recently the PUC amended its energy efficiency rule to apply to this area the same goals and cost recovery method that are applied to all the other electric utility areas in the state, with the support of the utility that serves the area. The purpose of H.B. 2498 is to apply the state's energy goals to certain electric utilities formerly exempt from those provisions.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 2498 amends the Utilities Code to make provisions of law relating to the state's goal for energy efficiency applicable to certain investor-owned electric utilities operating solely outside of ERCOT. The bill removes expired provisions and makes nonsubstantive changes.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2011.