

BILL ANALYSIS

S.B. 898
By: Carona
State Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties note that state law requires each political subdivision, institution of higher education, and state agency to implement energy efficiency measures that meet certain energy conservation standards in order to reduce electricity consumption. The parties further note that each entity is required to set goals for annual reductions in electricity consumption for a specified number of state fiscal years and that this requirement is about to expire. The parties observe that each entity must submit annual reports to the State Energy Conservation Office (SECO) that document the entity's efforts and progress towards energy efficiency and that SECO reports the effectiveness of these energy efficiency programs to the Texas Commission on Environmental Quality for inclusion in the state's air quality plans.

S.B. 898 seeks to continue these energy savings efforts by requiring each political subdivision, institution of higher education, and state agency to set a goal of reducing the entity's electric consumption by at least five percent each state fiscal year for each of the 10 state fiscal years beginning September 1, 2011, standardizing an entity's annual reporting to SECO, and providing for a calculation of the amount of energy savings and pollution reduction achieved through implementation of certain programs.

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

S.B. 898 amends the Health and Safety Code, in a provision requiring each political subdivision, institution of higher education, and state agency to set a goal of reducing the entity's electricity consumption by five percent each state fiscal year for six years, beginning September 1, 2007, to make the goal of a five percent annual reduction a minimum goal and extend the goal setting requirement to make the goal of an annual reduction in electricity consumption applicable to each of the 10 state fiscal years beginning September 1, 2011.

S.B. 898 requires an entity that does not attain its goals to include in its required annual report to the State Energy Conservation Office (SECO) justification that the entity already has implemented all available cost-effective measures, rather than all available measures. The bill expands the requirements for exemption from further annual reporting requirements on the basis that a subsequent report would indicate no change in status to include, in addition to an indication in the entity's report that the entity already has implemented all available cost-effective measures, an indication that the entity has reviewed its available options and has determined that no additional measures are cost-effective. The bill requires SECO to develop and make available a standardized form for reporting purposes.

S.B. 898 requires SECO to provide the Energy Systems Laboratory at the Texas Engineering Experiment Station of The Texas A&M University System, in addition to the Texas Commission

on Environmental Quality (TCEQ), with an annual evaluation of the effectiveness of state and political subdivision energy efficiency programs, including programs under statutory provisions governing Texas building energy performance standards. The bill requires the laboratory to calculate, based on the evaluation and the forms submitted to the conservation office, the amount of energy savings and estimated reduction in pollution achieved as a result of the implementation of programs and to share that information with TCEQ, the United States Environmental Protection Agency, and the Electric Reliability Council of Texas to help with long-term forecasting and in estimating pollution reduction.

EFFECTIVE DATE

September 1, 2011.