

BILL ANALYSIS

Senate Research Center

S.B. 924
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Business & Commerce
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Larger municipally owned utilities (MOUs) are required to administer energy savings programs, while electric cooperatives (co-ops) are only required to consider administering energy savings programs. H.B. 3693, enacted by the 80th Legislature, Regular Session, 2007, required MOUs and co-ops to report on the combined effects of energy efficiency activities to the State Energy Conservation Office (SECO). Energy efficiency reporting can capture energy savings and demand, which can help produce more accurate load forecasting. For this purpose, S.B. 924 requires MOUs and co-ops to report annual energy efficiency programs and goals as well as energy demand and savings goals.

Currently, Section 39.9051 (Energy Efficiency for Municipally Owned Utilities), Utilities Code, requires MOUs with retail sales of over 500,000 megawatts to administer energy savings incentive programs and provide incentives sufficient for MOUs to acquire additional cost-effective energy efficiency. Section 39.9052 (Energy Efficiency for Electric Cooperatives), Utilities Code, requires larger co-ops to consider establishing energy efficiency programs that reduce the co-op's annual growth in demand in a manner consistent with standards established in the state for other utilities.

S.B. 924 amends current law relating to the duties of certain utilities regarding energy efficiency reports and emergency notification systems.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 39.9051, Utilities Code, by amending Subsection (f) and adding Subsections (g) and (h), as follows:

(f) Requires a municipally owned utility, beginning April 1, 2012, rather than not later than September 1, 2009, to report each year to the State Energy Conservation Office (SECO), on a standardized form developed by SECO, rather than in a manner determined by the utility in consultation with SECO, information regarding the combined effects of the energy efficiency activities of the utility from the previous calendar year, including the utility's annual goals, programs enacted to achieve those goals, and any achieved energy demand or savings goals.

(g) Requires SECO to provide the reports made under Subsection (f) to the Energy Systems Laboratory at the Texas Engineering Experiment Station of The Texas A&M University System. Requires the laboratory to calculate the energy savings and estimated pollution reductions that resulted from the reported activities.

(h) Requires the energy systems laboratory to share the results of the analysis with the Public Utility Commission of Texas (PUC), the Electric Reliability Council of Texas (ERCOT), the United States Environmental Protection Agency (EPA), and the Texas Commission on Environmental Quality (TCEQ).

SECTION 2. Amends Section 39.9052, Utilities Code, by amending Subsection (b) and adding Subsections (c) and (d) as follows:

(b) Requires, beginning April 1, 2012, that an electric cooperative that had retail sales of more than 500,000 megawatt hours in 2005, to report each year to SECO on a standardized form developed by SECO, information regarding the combined effects of the energy efficiency activities of the electric cooperative from the previous calendar year, including the electric cooperative's annual goals, programs enacted to achieve those goals, and any achieved energy demand or savings goals. Makes nonsubstantive and conforming changes.

(c) Requires SECO to provide the reports made under Subsection (b) to the Energy Systems Laboratory at the Texas Engineering Experiment Station of The Texas A&M University System. Requires the laboratory to calculate the energy savings and estimated pollution reductions that resulted from the reported activities.

(d) Requires the energy systems laboratory to share the results of the analysis with PUC, ERCOT, EPA, and TCEQ.

SECTION 3. (a) Amends Subchapter H, Chapter 418, Government Code, by adding Section 418.192, as follows:

Sec. 418.192. COMMUNICATIONS BY PUBLIC SERVICE PROVIDERS DURING DISASTERS AND EMERGENCIES. (a) Defines in this section, "emergency" and "public service provider."

(b) Authorizes a public service provider to enter into a contract for an emergency notification system described by this section for use in informing the provider's customers, governmental entities, and other affected persons regarding:

(1) notice of a disaster or emergency; and

(2) any actions a recipient is required to take during a disaster or emergency.

(c) Requires that the emergency notification system for which a contract is entered into under Subsection (b) rely on a dynamic information database that:

(1) is capable of simultaneous transmission of emergency messages to all recipients through at least two industry-standard gateways to one or more telephones or electronic devices owned by a recipient in a manner that does not negatively impact the existing communications infrastructure;

(2) allows the public service provider to store prewritten emergency messages in the dynamic information database for subsequent use; and generate emergency messages in real time based on provider inputs;

(3) allows a recipient to select the language in which the recipient would prefer to receive messages;

(4) transmits the message in the recipient's language of choice to that recipient;

(5) converts text messages to sound files and transmits those sound files to the appropriate device;

(6) assigns recipients to priority groups for notification;

(7) allows for the collection and verification of responses by recipients of emergency messages; and

(8) reads or receives alerts from a commercial mobile alert system established by the Federal Communications Commission or complies with standards adopted for a commercial mobile alert system established by the Federal Communications Commission.

(d) Requires that the dynamic information database comply with:

(1) the Telecommunications Service Priority program established by the Federal Communications Commission; and

(2) the Federal Information Processing Standard 140-2 governing compliant cryptographic modules for encryption and security issued by the National Institute of Standards and Technology.

(e) Requires a public service provider, before sending a notice described by Subsection (b), to:

(1) provide a copy of the notice to the emergency management director designated under Section 418.1015 (Emergency Management Directors), for each political subdivision for which the public service provider provides services at the time of the notice; and

(2) during a disaster declared by the governor or United States government, obtain approval of the notice from the emergency management director designated under Section 418.1015, for each political subdivision for which the public service provider provides services during the disaster.

(f) Authorizes a customer of a public service provider to decline to receive the notices described by Subsection (b) by providing written notice of that decision to the public service provider.

(g) Requires a public service provider to cooperate with emergency management officials of each political subdivision in which the public service provider provides services to survey the number of notification systems in place.

(h) Provides that the requirements of this section do not apply to an emergency notification system that is in use by a public service provider on June 1, 2011.

(b) Effective date: upon passage or September 1, 2011.

SECTION 4. Effective date, except as otherwise provided by this Act: September 1, 2011.