

BILL ANALYSIS

Senate Research Center
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S.B. 924
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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 MW 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.

To provide more accurate load forecasting, S.B. 924 requires annual, standardized reporting to SECO on larger MOU or co-op energy efficiency programs, efforts, annual growth and estimates of energy savings and pollution reductions. The bill also directs the Energy Systems Laboratory, using the report, to calculate savings and reductions estimates and to send these calculations to the Public Utility Commission, Electric Reliability Council of Texas, United States Environmental Protection Agency, and Texas Commission on Environmental Quality.

As proposed, S.B. 924 amends current law relating to energy efficiency reports by municipally owned utilities and electric cooperatives.

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. 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, 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 the office, 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. 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, the United States Environmental Protection Agency, and TCEQ.

SECTION 3. Effective date: September 1, 2011.