

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

March 10, 2011

TO: Honorable Byron Cook, Chair, House Committee on State Affairs

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

IN RE: HB340 by Gallego (Relating to net metering for retail electric service customers and compensation for excess electricity generated by a retail electric customer's on-site generator.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Utilities Code to require the Public Utility Commission (PUC) to adopt rules that require electric utilities, retail electric providers, municipally owned utilities, and electric cooperatives to offer net metering services and compensation to owners of on-site generation for the sale of electricity at fair market value. The PUC would also be required to adopt rules establishing standards an onsite generating facility must meet to be eligible for compensation.

Based on the analysis of the PUC, it is assumed that 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, KJG, MW, RAN