

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

March 16, 2011

TO: Honorable Jim Keffer, Chair, House Committee on Energy Resources

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

IN RE: HB774 by Anchia (Relating to renewable energy capacity, jobs, and trading credits.), **As Introduced**

No significant fiscal implication to the State is anticipated; however, the state could realize an indeterminate revenue gain to the General Revenue Fund from the provisions of the bill.

The bill would amend the Utilities Code to establish a tier 2, non-wind renewable energy goal, increase the non-wind renewable energy target, and direct the Public Utility Commission (PUC) to establish a renewable energy credits trading program for the tier 2 goal. The bill would establish alternative compliance payment guidelines for renewable energy purchase requirements. The bill would also establish safeguards to limit costs to customers, make changes to apply existing provisions of law to tier 2 renewable energy technologies and direct the PUC to adopt rules to provide a "Made in Texas" incentive for generation equipment manufactured in Texas. The bill would require the PUC to adopt rules to implement the provisions of the bill.

Based on the analysis of the Public Utility Commission, it is assumed that duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources. No significant fiscal implication to the State is anticipated; however, the state could realize an indeterminate revenue gain to the General Revenue Fund from the provisions of the bill. The bill directs that those revenues be spent on a solar rebate program established by the PUC.

The bill would take effect September 1, 2011.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 473 Public Utility Commission of Texas

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