

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 25, 2011

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

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

IN RE: HB3595 by Chisum (Relating to energy efficiency goals and energy efficiency programs.),
As Passed 2nd House

No significant fiscal implication to the State is anticipated.

The bill would amend the Government Code to create an energy efficiency council composed of 16 members as identified in the bill. The bill would require the council to meet at least twice each year and would authorize council members to receive reimbursements for expenses incurred while performing council business, subject to availability of funding. The State Energy Conservation Office (SECO) would provide the council with administrative support, including meeting space and staff necessary to assist the council in carrying out its duties. The bill would authorize the council to solicit gifts, grants and donations. The bill would require the websites of SECO and Public Utilities Commission (PUC) to include publications of the council. The bill would require the council to develop a list of currently operating energy efficiency programs in the state. SECO and PUC would be required to develop and publish on their websites a user-friendly page allowing consumers to search by address energy efficiency programs available in the consumer's service area. The bill would require the council to submit to the Legislature not later than October 1 of each even-numbered year a report on energy efficiency programs in the state. The bill would amend the Utilities Code relating to the State's energy efficiency programs.

The bill would amend the Utilities Code to require the Public Utility Commission (PUC) to publish and maintain a website that allows customers to view competitive offers from retail electric providers. The bill would require the PUC to establish a project to implement the provisions of the bill. The bill also would require the PUC to establish protocols relating to the frequency with which information posted on the website is updated. The bill would require the PUC to consult and cooperate with other state agencies in the design of the website. The bill would allow the PUC to accept funds from any source for the implementation of the bill and makes the implementation of the bill contingent on a finding by the PUC that complete funding exists or is likely to exist to carry out the provisions of the act. The bill would extend the provision of the Utilities Code requiring retail electric providers to include a statement about the website on each customer's bill. Based on the analysis of the PUC and the Department of Information Resources, it is assumed that duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

The bill would amend the Utilities Code relating to state energy policy and the planning of energy development and utilization. The bill would establish the Texas Energy Policy Council, which would be composed of 13 members from various state agencies, members of the Legislature and members from other entities as specified by the bill. The bill would require the Council to meet at least quarterly in even-numbered years. The Public Utility Commission (PUC) would be designated as the state agency responsible for administering the council. The bill would require the Council to submit to the legislature various plans and reports as specified by the bill.

The bill would require the Railroad Commission to submit a report to the PUC on coal and gas reserves in the state. The Comptroller of Public Accounts would be required to provide, upon request, information related to the development of the report.

The bill would require the PUC to publish a report on electric energy generation, including an air pollution reduction plan. The PUC estimates the completion of this report would require the PUC to hire a consultant at a cost of \$200,000 in fiscal year 2012. Under the provisions of the bill, the implementation of this report is contingent on the PUC receiving gifts, grants or donations sufficient to cover the expenses incurred by the PUC.

It is anticipated that the duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 313 Department of Information Resources, 332 Department of Housing and Community Affairs, 455 Railroad Commission, 473 Public Utility Commission of Texas, 582 Commission on Environmental Quality, 710 Texas A&M University System Administrative and General Offices

LBB Staff: JOB, AG, MW, RAN, LCO