

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

March 28, 2011

TO: Honorable John Carona, Chair, Senate Committee on Business & Commerce

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

IN RE: SB1219 by Carona (Relating to the website operated by the Public Utility Commission of Texas to provide information regarding the power to choose and a study on standardized electric service products and contracts.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1219, As Introduced: an impact of \$0 through the biennium ending August 31, 2013.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2012	\$0
2013	\$0
2014	\$0
2015	\$0
2016	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from System Benefit Account 5100
2012	(\$1,049,000)
2013	(\$20,000)
2014	(\$20,000)
2015	(\$20,000)
2016	(\$20,000)

Fiscal Analysis

The bill would provide legislative findings relating to competitive electric market information and the Public Utility Commission's (PUC) power to choose website. The bill would amend the Utilities Code to require the PUC to redesign the power to choose website and specify parameters for the redesign. The bill would also require the PUC to establish protocols relating to the frequency for updating information posted on the website and consult with other state agencies in the design of the website. The bill would extend a provision requiring a retail electric provider to include the address for the power to choose website on each residential customer's bill statement. The bill also requires the PUC to conduct a study on the feasibility of establishing standardized electric service products and standardized terms to be included in electric service contracts. The PUC is required to report its findings to the legislature and publish the findings on the power to choose website not later than

September 1, 2012.

The bill would take effect September 1, 2011.

Methodology

According to the analysis submitted by the PUC, the web site redesign required under the provisions of the bill would necessitate that the PUC hire a contractor to complete the redesign. The PUC estimates an average bill rate for this service of \$102.9 per hour. This analysis assumes that the redesign would require 10,000 hours for a total cost of \$1,029,000 for the initial development and design of the website. The PUC estimates ongoing costs of \$20,000 each fiscal year beginning in 2012 for related data center services. Also based on the analysis of the PUC, this analysis assumes that the study required by this bill could be accomplished utilizing existing resources.

Based on the analysis of the Department of Information Resources, it is assumed that duties and responsibilities associated with implementing the provisions of the bill for that agency could be accomplished by utilizing existing resources.

Technology

The PUC estimates ongoing costs of \$20,000 each fiscal year beginning in 2012 for related data center services.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 313 Department of Information Resources, 473 Public Utility Commission of Texas
LBB Staff: JOB, AG, MW, RAN, RC