

1-1 By: Carona S.B. No. 1351
 1-2 (In the Senate - Filed March 7, 2013; March 18, 2013, read
 1-3 first time and referred to Committee on Business and Commerce;
 1-4 May 1, 2013, reported adversely, with favorable Committee
 1-5 Substitute by the following vote: Yeas 6, Nays 0; May 1, 2013, sent
 1-6 to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8 Carona	X			
1-9 Taylor			X	
1-10 Eltife			X	
1-11 Estes	X			
1-12 Hancock			X	
1-13 Lucio	X			
1-14 Van de Putte	X			
1-15 Watson	X			
1-16 Whitmire	X			

1-18 COMMITTEE SUBSTITUTE FOR S.B. No. 1351 By: Carona

1-19 A BILL TO BE ENTITLED
 1-20 AN ACT

1-21 relating to demand-side electric energy resources in the
 1-22 competitive electric market.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Subchapter D, Chapter 39, Utilities Code, is
 1-25 amended by adding Section 39.160 to read as follows:

1-26 Sec. 39.160. LOAD PARTICIPATION REQUIREMENTS. The
 1-27 commission and the independent organization certified under
 1-28 Section 39.151 for each power region shall allow load participation
 1-29 in all energy markets for residential, commercial, and industrial
 1-30 customer classes, directly or through aggregators of retail
 1-31 customers, to the extent that load participation by each customer
 1-32 class complies with requirements of the independent organization
 1-33 for ensuring reliability and adequacy of the regional electric
 1-34 network. The load participation must be designed and implemented
 1-35 in a manner to increase market efficiency, competition, and
 1-36 customer benefits.

1-37 SECTION 2. Subsection (b), Section 39.905, Utilities Code,
 1-38 is amended to read as follows:

1-39 (b) The commission shall provide oversight and adopt rules
 1-40 and procedures to ensure that the utilities can achieve the goal of
 1-41 this section, including:

1-42 (1) establishing an energy efficiency cost recovery
 1-43 factor for ensuring timely and reasonable cost recovery for utility
 1-44 expenditures made to satisfy the goal of this section;

1-45 (2) establishing an incentive under Section 36.204 to
 1-46 reward utilities administering programs under this section that
 1-47 exceed the minimum goals established by this section;

1-48 (3) providing a utility that is unable to establish an
 1-49 energy efficiency cost recovery factor in a timely manner due to a
 1-50 rate freeze with a mechanism to enable the utility to:

1-51 (A) defer the costs of complying with this
 1-52 section; and

1-53 (B) recover the deferred costs through an energy
 1-54 efficiency cost recovery factor on the expiration of the rate
 1-55 freeze period;

1-56 (4) ensuring that the costs associated with programs
 1-57 provided under this section and any shareholder bonus awarded are
 1-58 borne by the customer classes that receive the services under the
 1-59 programs;

1-60 (5) ensuring the program rules encourage the value of

2-1 the incentives to be passed on to the end-use customer; and
2-2 (6) ensuring that programs are evaluated, measured,
2-3 and verified using a framework established by the commission that
2-4 promotes effective program design and consistent and streamlined
2-5 reporting[~~and~~
2-6 [~~(7) ensuring that an independent organization~~
2-7 ~~certified under Section 39.151 allows load participation in all~~
2-8 ~~energy markets for residential, commercial, and industrial~~
2-9 ~~customer classes, either directly or through aggregators of retail~~
2-10 ~~customers, to the extent that load participation by each of those~~
2-11 ~~customer classes complies with reasonable requirements adopted by~~
2-12 ~~the organization relating to the reliability and adequacy of the~~
2-13 ~~regional electric network and in a manner that will increase market~~
2-14 ~~efficiency, competition, and customer benefits].~~

2-15 SECTION 3. This Act takes effect September 1, 2013.

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