LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

March 26, 2013

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2920 by Kolkhorst (Relating to the consideration of adequate alternatives to resolve

transmission constraints.), 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) and the Electric Reliability Council of Texas (ERCOT) to consider proposed transmission alternatives that would enable existing or proposed generation resources that are located in the state but are not connected to the ERCOT power region to provide power to the ERCOT grid as a strategy to resolve transmission constraints. The bill would prohibit the PUC from approving a transmission project to resolve a transmission constraint in cases where such an alternative is proposed until the PUC makes specific findings approving or rejecting the use of the proposed alternative.

Based on information provided by the PUC, duties and responsibilities associated with implementing the provisions of the bill could be accomplished utilizing existing resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 473 Public Utility Commission of Texas

LBB Staff: UP, AG, ED