

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

March 8, 2017

TO: Honorable Kelly Hancock, Chair, Senate Committee on Business & Commerce

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB735 by Hancock (Relating to periodic rate adjustment by electric utilities.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Utilities Code to require the Public Utility Commission to establish a schedule to modify or review a rate charge by an electric utility, and to adopt rules establishing rate adjustments to reflect modified transmission costs. The bill would also repeal sections of the Utilities Code that require the Public Utility Commission to study and report to the legislature on rate adjustments by January 31, 2019 and to study and report to the legislature on alternative ratemaking mechanisms not later than January 15, 2017.

Based on information provided by 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.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 473 Public Utility Commission of Texas

LBB Staff: UP, EH, AO, SD