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By:  Anchia H.B. No. 4556

A BILL TO BE ENTITLED

AN ACT

relating to energy efficiency goals for electric utilities.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1.  Section 39.905, Utilities Code, is amended by adding Subsections (a-1) and (a-2) to read as follows:

(a-1)  In addition to meeting the demand goals provided by Subsection (a), each electric utility shall also meet an annual energy savings goal of:

(1)  one-fourth of one percent annual energy savings in the 2022 calendar year;

(2)  one-half of one percent annual energy savings in the 2023 calendar year;

(3)  three-fourths of one percent annual energy savings in the 2024 calendar year; and

(4)  one percent annual energy savings beginning with the 2025 calendar year.

(a-2)  The commission by rule shall provide a method to establish each utility's annual savings goal under Subsection (a-1). The method must be based on the existing and expected usage of electricity delivered in a utility's service area that is required to pay the annual energy efficiency cost recovery fee. In adopting rules, the commission may provide for cost caps for the implementation of Subsection (a-1) and provide good cause exceptions for a utility that is unable to meet the goal in a cost-effective manner.

SECTION 2.  The Public Utility Commission of Texas shall adopt rules to implement the changes made by this Act to Section 39.905, Utilities Code, not later than December 31, 2021.

SECTION 3.  This Act takes effect September 1, 2021.