

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

April 13, 2021

TO: Honorable Chris Paddie, Chair, House Committee on State Affairs

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB2796 by Patterson (Relating to the regulation of bulk-power system equipment by the Public Utility Commission of Texas.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2796, As Introduced : a negative impact of (\$1,112,762) through the biennium ending August 31, 2023.

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:

<i>Fiscal Year</i>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2022	(\$556,381)
2023	(\$556,381)
2024	(\$556,381)
2025	(\$556,381)
2026	(\$556,381)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable Savings/(Cost) from General Revenue Fund</i>	<i>Change in Number of State Employees from FY 2021</i>
2022	(\$556,381)	4.0
2023	(\$556,381)	4.0
2024	(\$556,381)	4.0
2025	(\$556,381)	4.0
2026	(\$556,381)	4.0

Fiscal Analysis

The bill would require the Public Utility Commission (PUC) to adopt rules prohibiting the acquisition, importation, transfer, or installation of bulk power system equipment in the state that meets certain criteria. The bill would authorize PUC to design or negotiate measures to mitigate risks set forth in the bill. The bill also would authorize PUC to establish and publish criteria for pre-approving certain equipment and vendors in the bulk power system equipment market and publish this pre-approval list.

Methodology

The PUC anticipates that 4 additional FTEs would be required. The 4 FTEs would be comprised of 1 Program Specialist VII to administer this program; 1 Attorney IV to lead the rulemaking process and provide legal analysis for the program; 1 Engineer V to provide engineering analysis on the bulk power system equipment; and 1 Attorney III to advise Commissioners on the program. The PUC anticipates a \$405,000 cost in Salary and Wages and \$6,000 in Other Operating Expense for training (\$1,500 per employee). Including the technology cost of \$7,600, the annual total cost to General Revenue after employee benefits are added is expected to be \$556,381.

Technology

The PUC anticipates it would be required to amend its computer lease to add 4 laptops for the new employees needed to staff this program. Each additional laptop has a unit cost of \$1,900, creating a total cost of \$7,600.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 473 Public Utility Commission of Texas

LBB Staff: JMc, SMAT, MB, RRE, CMA