

Amend CSHB 2263 (house committee report) as follows:

(1) On page 2, strike lines 3 through 14 and substitute the following:

(a) The railroad commission shall allow a local distribution company to recover:

(1) costs prudently incurred to implement one or more energy conservation programs, including costs incurred to design, market, implement, administer, and deliver an energy conservation program; and

(2) if the company provides an earnings monitoring report for the preceding calendar year demonstrating that the company did not earn above the rate of return established in the latest effective rates approved by the railroad commission for the company, an amount equal to the reduction in the company's marginal revenues due to lower sales or demand resulting from the energy conservation program.

(2) On page 2, line 23, strike "submitted" and substitute "for cost recovery".

(3) On page 4, between lines 8 and 9, insert the following:

(h) A local distribution company recovering costs of an energy conservation program under Subsection (a) shall apply to the railroad commission at least once every three years under this subchapter for review and approval of the company's energy conservation programs.