

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

April 26, 2023

TO: Honorable Todd Hunter, Chair, House Committee on State Affairs

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SB1002 by Schwertner (Relating to the operation of public electric vehicle charging stations.), As Engrossed

Estimated Two-year Net Impact to General Revenue Related Funds for SB1002, As Engrossed : a negative impact of (\$631,602) through the biennium ending August 31, 2025.

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>
2024	(\$315,801)
2025	(\$315,801)
2026	(\$315,801)
2027	(\$315,801)
2028	(\$315,801)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable (Cost) from General Revenue Fund 1</i>	<i>Change in Number of State Employees from FY 2023</i>
2024	(\$315,801)	3.0
2025	(\$315,801)	3.0
2026	(\$315,801)	3.0
2027	(\$315,801)	3.0
2028	(\$315,801)	3.0

Fiscal Analysis

This bill would amend the Utilities Code to prohibit ERCOT utilities from directly providing electric vehicle (EV) charging services unless those services are on their own property and used solely for charging their own vehicles; and recovering the cost of an EV charging station through rates approved by the Public Utility Commission of Texas (PUC). The bill would allow utilities outside the territory of ERCOT to provide charging services directly to the customer under circumstances as defined in the bill. The bill would require the PUC to receive applications from utilities and set rates that are reasonable and do not impair competition.

The bill would allow individuals other than the electric utility to notify the impacted area of their petition of

their own intention to provide charging station services before the 90th day after PUC has approved the utilities proposal to construct a similar charging station. PUC shall reject the utilities proposal if the individuals notice proves the provisions in the bill or the utilities proposal unreasonably duplicates a charging service of another, or a facility being constructed that another person will use for charging services.

The bill would take effect on September 1, 2023.

Methodology

PUC anticipates, and this estimate assumes, that the Commission would require 3.0 additional full time equivalent (FTE) positions to implement the provisions of the bill as the agency would be required to review and approve rates for the non-ERCOT utilities and other individually owned and operated charging stations. An Attorney III (\$90,000 per year with estimated benefits of \$27,297) would be needed for rulemaking and enforcement. A Financial Examiners IV (\$70,000 per year with estimated benefits of \$21,231) would be needed to provide rate regulation. An Engineers III (\$75,000 per year with estimated benefits of \$22,748) would be needed to ensure EV charging stations are operating properly.

Technology

This estimate anticipates a technology impact of \$6,000 per year.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 473 Public Utility Commission of Texas

LBB Staff: JMc, SMAT, JBel, SZ, GDZ