

LEGISLATIVE BUDGET BOARD  
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

March 22, 2023

**TO:** Honorable Charles Schwertner, Chair, Senate Committee on Business & Commerce

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: SB2015** by King (Relating to the legislature's goals for electric generation capacity in this state.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for SB2015, As Introduced : a negative impact of (\$241,294) 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>	Probable Net Positive/(Negative) Impact to <i>General Revenue Related Funds</i>
2024	(\$120,647)
2025	(\$120,647)
2026	(\$120,647)
2027	(\$120,647)
2028	(\$120,647)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable (Cost) from <i>General Revenue Fund</i> 1	<i>Change in Number of State Employees from FY 2023</i>
2024	(\$120,647)	1.0
2025	(\$120,647)	1.0
2026	(\$120,647)	1.0
2027	(\$120,647)	1.0
2028	(\$120,647)	1.0

## **Fiscal Analysis**

This bill attempts to address concerns with the falling share of generation in Texas that is dispatchable by requiring a certain percentage of generation to be dispatchable going forward.

The bill would require the Public Utility Commission of Texas (PUC) to establish rules to determine the conditions for compliance and penalties for non-compliance for all entities subject to the program (within 180 days of program activation); create a form for power generation companies, municipally owned utilities, and co-ops to file the required information on their generation with the PUC; and create an annual PUC report based on data submitted by power generation companies, municipally owned utilities, and co-ops that determines if the generation capacity is in compliance, and will be in compliance for the next three years, with the Goal for Dispatchable Generation.

The bill would take effect September 1, 2023.

## **Methodology**

Based on the analysis of the PUC, the agency will require one additional Economist III position (\$90,000 per year with estimated benefits of \$27,297) to implement the provisions of the bill. This position would be needed for program implementation, to design the dispatchable generation energy credit program, create generation reporting requirements, develop the template for reporting to the PUC, provide subject-matter expertise on the rulemaking process, and for program administration.

## **Technology**

This estimate assumes a technology impact of \$2,000 per year due to the purchase of a laptop, monitor, docking station, and other information technology-related expenses associated with the additional Economist III position.

## **Local Government Impact**

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

**Source Agencies:** 473 Public Utility Commission of Texas

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