

BILL ANALYSIS

H.B. 3826
By: Hernandez
State Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

A recent ERCOT report indicated that increasing energy demands in Texas could surpass the supply of energy available beginning in the summer of 2026. The bill author has informed the committee that Texans have expressed concern that the state has not prioritized energy efficiency programs as much as many other states, which has been exemplified by outages during inclement weather events such as Winter Storm Uri, and that energy efficiency councils have been established in other states to increase citizens' awareness of energy efficiency programs and to provide for greater collaboration among those programs. According to rankings from the American Council for an Energy-Efficient Economy, Texas has fallen from 29th in 2022 to 36th in 2025 in terms of energy efficiency. H.B. 3826 seeks to foster collaboration, coordination, and communication between energy programs for the purpose of enhancing Texas' energy efficiency performance by creating the Texas Energy Efficiency Council.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 3826 amends the Utilities Code to establish the nine-member Texas Energy Efficiency Council (TEEC) in the Public Utility Commission of Texas (PUC) to evaluate and make recommendations for the following purposes:

- providing a statewide collaborative approach to promoting energy efficiency;
- measuring, evaluating, and reporting on energy efficiency performance in Texas;
- creating a process for monitoring and enhancing energy efficiency programs in Texas;
- facilitating opportunities for coordination and leveraging of federal funding from the U.S. Department of Energy, HUD, and other federal agencies that can be used by state agencies and political subdivisions for the purposes of enhancing energy efficiency; and
- providing a central repository for information on statewide energy efficiency performance and opportunities to participate in energy efficiency programs in Texas.

H.B. 3826 defines "energy efficiency program" as a program designed to do any of the following:

- increase efficient energy use;
- facilitate emergency load management and, for electric utilities operating in an area of Texas not open to competition, reduce energy consumption during periods of peak energy demand;

- optimize energy consumption;
- identify and realize the benefits of energy efficient building design standards; or
- fund the implementation of energy cost reduction measures.

H.B. 3826 establishes that TEEC is composed of the following nine ex officio members:

- the presiding officer of the Texas Commission on Environmental Quality;
- the chief executive officer of ERCOT;
- the presiding officer of the PUC;
- the comptroller of public accounts;
- the director of the Texas Department of Housing and Community Affairs;
- the executive director of the Texas Economic Development and Tourism Office;
- the chairman of the Texas Water Development Board;
- the director of the Energy Systems Laboratory at the Texas A&M Engineering Experiment Station of The Texas A&M University System; and
- the chief executive of the Office of Public Utility Counsel.

The bill authorizes each member to designate a person from the member's agency to serve in the member's place. The bill requires the presiding officer of the PUC or an employee designated by that officer under these provisions to serve as presiding officer of TEEC and requires TEEC to meet at least two times per year at the call of that officer.

H.B. 3826 requires the PUC to provide TEEC with administrative support, including meeting space and staff necessary to assist TEEC in carrying out its duties, and requires TEEC to do the following:

- use the official websites of the State Energy Conservation Office (SECO) and the PUC for the publication of information as required by the bill's provisions;
- develop a list of currently operating energy efficiency programs in Texas and publish the list on the official websites;
- work with SECO and the PUC to develop and publish on the agencies' official websites a user-friendly page that allows a consumer to search by the consumer's address energy efficiency programs available in the consumer's service area;
- biennially prepare a report that includes the evaluations and recommendations established under the bill's provisions; and
- submit that report to the legislature not later than January 15 of each odd-numbered year.

The bill requires SECO and the PUC to each provide a link on their websites to the user-friendly page described by these provisions. The bill exempts TEEC from state law governing state agency advisory committees, state open meetings law, and state public information law, except that information written, produced, collected, assembled, or maintained under law or in connection with the transaction of official business by TEEC or an officer or employee of TEEC is subject to the requirement to disclose information for legislative purposes in the same manner as public information.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2025.