

BILL ANALYSIS

H.B. 5323
By: King
State Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Texas has many incentive programs, market products, and regulatory requirements that are developed to increase the state's energy efficiency and electricity demand response capabilities. The bill author has informed the committee that while each cluster of programs is managed by a separate state agency, none of these programs are designed with universal perspective. The bill author has further informed the committee that presumably all state programs could be designed to meet the goal of ensuring a reliable state power grid, and that state agencies should be required to collaborate on programmatic approaches to achieve that goal. H.B. 5323 seeks to address this issue by establishing the Texas Energy Waste Advisory Committee to assist in achieving the reliability needs of the ERCOT power region and to recommend policies and coordinate inter-agency programs to reduce energy waste, increase energy efficiency, and enhance demand response programs.

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. 5323 amends the Utilities Code to create the Texas Energy Waste Advisory Committee to make recommendations for coordinating and improving state agency and interagency programs that reduce energy waste, increase energy efficiency, and enhance demand response programs in order to increase reliability of electric service in the ERCOT power region in accordance with statutory provisions relating to power region reliability and dispatchable generation. The bill establishes that the committee is composed of seven ex officio members as follows:

- the presiding officer of the Public Utility Commission of Texas (PUC);
- the chief executive officer of ERCOT;
- the comptroller of public accounts;
- the executive director of the Texas Department of Licensing and Regulation (TDLR);
- the director of the Texas Department of Housing and Community Affairs (TDHCA);
- the presiding officer of the Texas Commission on Environmental Quality (TCEQ); and
- the commissioner of the General Land Office (GLO).

The bill authorizes an ex officio member to designate an employee of the member's agency or office to serve in the member's place, and requires the presiding officer of the PUC or an employee of the PUC designated by the presiding officer to serve as the chair of the committee. The bill requires the committee to meet quarterly at the call of the chair.

H.B. 5323 requires the committee, to improve the reliability of electric service in the ERCOT power region, to solicit information from and make recommendations to the following state agencies and organizations regarding state programs that have the potential to reduce demand for electricity in the ERCOT wholesale market during high risk hours identified by the PUC:

- the PUC;
- ERCOT;
- the comptroller;
- the State Energy Conservation Office;
- TDLR;
- the TDHCA;
- the TCEQ; and
- the GLO.

The bill requires the PUC to provide the committee with administrative support, including meeting space and staff necessary to assist the committee in carrying out the committee's duties under the bill's provisions.

H.B. 5323 establishes that the committee is not subject to state open meetings law or state public information law, but subjects information written, produced, collected, assembled, or maintained under law or in connection with the transaction of official business by the committee or an officer or employee of the committee to Government Code provisions relating to information for legislative purposes in the same manner as public information.

H.B. 5323 requires the committee, not later than September 1 of each even-numbered year, to provide to the legislature a report on the committee's activities and recommendations.

EFFECTIVE DATE

September 1, 2025.