

SUBJECT: Creating a task force to review electric energy generation policies

COMMITTEE: State Affairs — committee substitute recommended

VOTE: 9 ayes — Solomons, Menendez, Farabee, Gallego, Geren, Jones, Lucio, Maldonado, S. Turner

4 nays — Cook, Craddick, Harless, Swinford

2 absent — Hilderbran, Oliveira

WITNESSES: (*On original version:*)

For — (*Registered, but did not testify:* Karen Hadden, Sustainable Energy and Economic Development Coalition; Sandra Haverlah, Environmental Defense Fund; Cyrus Reed, Lone Star Chapter, Sierra Club; Emily Shelton, Texas Impact; Tom “Smitty” Smith, Public Citizen)

Against — John Fainter, Jr., Association of Electric Companies of Texas, Inc.; Robert Webb, Texas Renewable Energy Industries Association; (*Registered, but did not testify:* Luke Bellsnyder, Texas Association of Manufacturers; Brad Jones, Luminant; Virginia Strama, Texas Oil and Gas Association; Christina Wisdom, Texas Chemical Council)

DIGEST: CSHB 366 would amend the Utilities Code to create an Electric Energy and Environmental Impact Task Force.

The task force would include representatives of:

- the Public Utility Commission;
- the Texas Commission on Environmental Quality (TCEQ);
- the Electric Reliability Council of Texas (ERCOT);
- the Texas Water Development Board;
- the Railroad Commission of Texas; and
- the State Energy Conservation Office.

The task force would be required to meet quarterly to:

- study the state's long-term demand for electric generation capacity and the infrastructure and technology available and necessary for meeting that demand;
- study the environmental effects of existing and proposed electric generating facilities;
- inventory all existing electric generating facilities operating in this state; and
- review changes to state statutes, administrative rules and regulations, judicial decisions, and executive branch policies regarding electric energy generation.

By December 31 of each year, the task force would be required to submit to the governor, the lieutenant governor, and each member of the Legislature a report on the task force's findings and recommendations.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2009.

**SUPPORTERS  
SAY:**

The task force on electric energy and environmental impact created by CSHB 366 is designed to increase and improve communication among the state's leaders on energy capacity. It is important to strengthen this communication in order to help grow energy resources efficiently. There is a lot of well-meaning discussion about planning for Texas' energy needs, forecasting, modeling, and growing, but there is little coordination. The task force would provide a more coordinated approach to addressing the state's energy policies.

**OPPONENTS  
SAY:**

While many of the concerns about the bill have been addressed in the committee substitute, this task force still would be an additional level of bureaucracy. A lot of the requirements of the task force already are being met, making it unnecessary to put it into statute.

**NOTES:**

The committee substitute differs from the bill as filed by:

- adding a representative of the Railroad Commission;
- removing provisions giving the task force oversight over TCEQ;

- permit applications for electric generating facilities; and
- removing provisions relating to air quality permits.