

## **BILL ANALYSIS**

Senate Research Center

C.S.S.B. 1825  
By: Sibley  
Business & Commerce  
4/24/2001  
Committee Report (Substituted)

### **DIGEST AND PURPOSE**

Currently, the state does not have statewide energy plan. C.S.S.B. 1825 creates the Texas Energy Policy Council, which will be responsible for the creation of a statewide energy policy.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. SHORT TITLE. Authorizes this chapter to be cited as the Texas Energy Policy Act.

SECTION 2. Amends the Utilities Code by adding Title 6, as follows:

#### TITLE 6. TEXAS ENERGY POLICY ACT

#### CHAPTER 300. STRATEGIC ENERGY PLANNING

#### SUBCHAPTER A. GENERAL PROVISIONS

Sec. 300.001. PURPOSE AND FINDINGS. Sets forth the purpose of this title.

Sec. 300.002. DEFINITIONS. Defines "council," "office," and "plan."

Sec. 300.003. TEXAS ENERGY POLICY COUNCIL. (a) Provides that the Texas Energy Policy Council is created to develop and recommend a statewide energy policy plan to the legislature. Provides that a statewide energy policy plan must be updated to reflect evolving conditions and as such should be considered a living document.

(b) Provides that the council is composed of nine specified members.

(c) Requires the governor to designate the presiding officer from among the members of the council.

(d) Provides that an appointed member of the council serves at the pleasure of the appointing official.

(e) Provides that members of the council receive no compensation but are entitled to reimbursement of actual and necessary expenses incurred in the performance of their duties.

(f) Requires the council to meet at least quarterly while developing an initial plan. Authorizes the council to meet annually after submitting the plan to the legislature.

(g) Requires the council to develop and implement policies that provide the public with a reasonable opportunity to appear before the council and to speak on any issue under the jurisdiction of the council.

(h) Provides that the State Energy Conservation Office (office) is designated as the state agency responsible for administering the council. Requires staff from the office to be designated as necessary to assist the council in carrying out its duties.

Sec. 300.004. POWERS, DUTIES AND RESPONSIBILITIES OF THE COUNCIL. (a) Requires the council, in developing a long-term plan, to take certain actions.

(b) Requires the council to submit to the legislature its initial plan by December 1, 2002. Requires the council to report to the legislature by December 1 of each even-numbered year the status of the plan's implementation and make any recommendations for legislative action as necessary to implement or revise the plan. Authorizes the council to update the plan as necessary.

Sec. 300.005. FUELS AND TECHNOLOGIES. (a) Requires the council to consider certain fuel sources and new, innovative technologies associated with these fuels in creating and recommending a plan. Provides that these fuels include, but are not limited to, certain specified fuels.

(b) Requires the council to seek policies to ensure that fuel resources available to the state are used in a balanced and efficient manner. Requires the council to consider the economic viability and environmental impact of new fuels and technologies when making its recommendations.

Sec. 300.006. ENERGY EFFICIENT TECHNOLOGY. (a) Requires the council, in order to reduce the energy demand of customers in this state, to consider energy efficient technologies in creating and recommending its plan. Requires energy efficient technologies to be considered for certain energy users.

(b) Requires the council to consider the economic viability of new technologies when making its recommendations.

(c) Requires the council, due to the ability of energy efficient technologies to reduce the demand for energy and the need for additional transmission capacity throughout the state, to give these technologies priority when creating its plan.

Sec. 300.007. TRANSMISSION AND TRANSPORTATION. (a) Requires the council to consider and recommend strategies to ensure that the customers of this state have access to reliable energy.

(b) Requires the council to consider transmission and transportation constraints, and make recommendations in the plan to alleviate or prevent those constraints, for certain specified sources of energy.

Sec. 300.008. EXPLORATION. (a) Requires the council to consider and recommend strategies for the exploration and capture of natural resources necessary for energy production in this state.

(b) Requires the council to consider strategies for certain resources.

Sec. 300.009. ENVIRONMENT. (a) Requires the council, when creating and recommending its plan, to consider the effect of energy production on the environment.

(b) Requires the council to recommend strategies which protect and preserve the environment of the state while allowing for access to safe, economical and reliable sources of energy. Requires the council to consider the following: (1) air quality, (2) water quality, and (3) waste disposal.

SECTION 3. Repealer: Section 39.9044 (Goal for Natural Gas), Utilities Code.

SECTION 4. Effective date: September 1, 2001.

### **SUMMARY OF COMMITTEE CHANGES**

SECTION 1. Amends As Filed S.B. 1825 by providing for the SHORT TITLE.

SECTION 2. Amends As Filed S.B. 1825 by adding Subdivision (4) to Section 300.001, to provide an additional goal under the purpose of this title.

Amends As Filed S.B. 1825 by deleting Section 300.003(i) and deleting Section 300.005 (FUNDING).

Amends As Filed S.B. 1825 by adding Section 300.004(5), to add an additional responsibility for the council.

Amends As Filed S.B. 1825 by amending the heading to Section 300.005 to read FUELS AND TECHNOLOGIES.

SECTION 3. Amends As Filed by redesignating SECTION 2 as SECTION 3.

SECTION 4. Amends As Filed by redesignating SECTION 3 as SECTION 4.