

BILL ANALYSIS

Senate Research Center

S.B. 1825
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Business & Commerce
4/23/2001
As Filed

DIGEST AND PURPOSE

Currently, the state does not have statewide energy plan. As proposed, 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. 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. Short Title. Authorizes this chapter to be cited as the Texas Energy Policy Act.

Sec. 300.002. Purpose and Findings. Sets forth the purpose of this title.

Sec. 300.003. DEFINITIONS. Defines “council,” “office,” and “plan.”

Sec. 300.004. TEXAS ENERGY POLICY COUNCIL. 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 by its nature must reflect evolving conditions and must therefore be updated as 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 statewide energy policy 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.

(i) Provides that the council is subject to the Administrative Procedure and Texas Register Act (Article 6252-13a, V.T.C.S.), the Open Meetings Law, Chapter 271, Acts of the 60th Legislature, Regular Session, 1967 (Article 6252-17, V.T.C.S.) and the Open Records Law, Chapter 424, Acts of the 63rd Legislature, Regular Session, 1973 (Article 6252-17a, V.T.C.S.)

Sec. 300.005. FUNDING. (a) Requires the council to be funded from appropriations made to the office from oil overcharge funds.

(b) Requires that any unexpended balance to be re-allocated to the council.

Sec. 300.006. POWERS, DUTIES AND RESPONSIBILITIES OF THE COUNCIL. (a) Requires the council, in developing a long-term statewide energy policy, 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.

Sec. 300.007. FUELS. (a) Requires the council to consider the following fuel sources and new, innovative technologies associated with these fuels in creating and recommending a plan. Provides that the fuels include, but are not limited to, certain specified fuels.

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

Sec. 300.008. 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 throughout the state, to give these technologies priority when creating its plan.

Sec. 300.009. 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 those constraints, for certain specified

sources of energy.

Sec. 300.010. 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. 300.011. 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 when creating and recommending its plan: (1) air quality, (2) water quality, and (3) waste disposal.

SECTION 2. Repealer: Section 39.9044 (Goal for Natural Gas), Utilities Code.

SECTION 3. Effective date: September 1, 2001.