

BILL ANALYSIS

Senate Research Center

H.B. 2713
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Natural Resources
5/16/2007
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Texas does not currently have a long-term energy plan. According to the United States Census Bureau, Texas' population has increased by 2,655,963 since 2000. With a vastly growing population the state's demand for energy is increasing and a sound, effective energy plan is now necessary.

As proposed, H.B. 2713 creates the Interim Special Committee on Electric Energy Generation Capacity and Environmental Impact to study the state's demand for electric generation capacity, the development of a long-term energy plan, and the effects on the environment of electric generating facilities.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

ARTICLE 1. INTERIM SPECIAL COMMITTEE ON ELECTRIC ENERGY GENERATION CAPACITY AND ENVIRONMENTAL IMPACT

SECTION 1.01. COMPOSITION OF COMMITTEE. (a) Sets forth the composition of the Interim Special Committee on Electric Energy Generation Capacity and Environmental Impact (committee).

(b) Requires the speaker of the house of representatives and the lieutenant governor to each designate a co-chair from among the committee members.

(c) Requires the speaker of the house of representatives and the lieutenant governor, not later than the 60th day after the effective date of this Act, to appoint the members of the committee.

SECTION 1.02. STUDY; PLAN. (a) Requires the committee to study the state's demand for electric generation capacity for the next 50 years and the infrastructure and technology available for meeting demand; study the environmental effects of existing electric generating facilities, including the effects on global warming or climate change; and prepare a long-term electric energy and environmental impact plan for the 80th Legislature that includes certain information.

(b) Authorizes the committee, in preparing the plan required by Subsection (a), to consult with certain agencies.

(c) Requires each agency named by Subsection (b) to designate an individual as the point of contact for the committee.

(d) Requires the committee to file with the legislature the long-term electric energy and environmental impact plan required by Subsection (a) not later than January 15, 2009.

SECTION 1.03. COMMITTEE MEETINGS. Requires the committee to meet initially at the joint call of the co-chairs, and to subsequently hold meetings and public hearings at the call of the co-chairs.

SECTION 1.04. COMMITTEE POWERS AND DUTIES. Provides that the committee has all powers and duties provided to special committees by the senate and house of representatives rules of procedure, by Subchapter B (Legislative Reorganization Act), Chapter 301, Government Code, and by policies of the committees on administration.

SECTION 1.05. COMMITTEE FUNDING. (a) Requires that the members of the committee be reimbursed from the contingent expense fund of the senate and the contingent expense fund of the house of representatives equally, for expenses incurred in carrying out the provisions of this article in accordance with the senate and house of representatives rules of procedure and the policies of the committees on administration.

(b) Requires that other necessary expenses of operation be paid from the contingent expense fund of the senate and the contingent expense fund of the house of representatives equally.

SECTION 1.06. EFFECTIVE DATE. Provides that this article takes effect September 1, 2007.

ARTICLE 2. ELECTRIC ENERGY STORAGE DEVICES

SECTION 2.01. DEFINITION. Defines "commission."

SECTION 2.02. STUDY. (a) Requires the Public Utility Commission of Texas (commission) to conduct a study on the potential of electric energy storage devices to benefit the operation of transmission and distribution systems. Requires the commission, in conducting the study, to consider relevant issues. Sets forth certain relevant issues to be included in the study.

(b) Requires the commission to prepare a report on the results of the study. Requires the report to include the commission's conclusions on the potential of electric energy storage devices and, as appropriate, recommendations to the legislature on legislation or other action necessary to realize that potential. Requires the commission to include the report in the electric market scope of the competition report required by Section 31.003 (Report on Scope of Competition), Utilities Code, that the commission submits to the 81st Legislature.

(c) Requires the commission to conduct the study and prepare the report as required by this section with input from the ERCOT independent system operator and after requesting comments and input from all interested parties.

SECTION 2.03. DEMONSTRATION PROJECTS. (a) Requires the commission to authorize one or more electric utilities or transmission or distribution utilities to operate demonstration projects that involve facilities capable of not more than two megawatts of electric energy storage for the purpose of obtaining a better understanding of the facilities' cost, value, and operation characteristics; including the efficient use of the transmission system and facilities' effect on removing transmission constraints.

(b) Provides that the operation of a demonstration project under this section does not prejudice the study required by Section 2.02 of this article or any future determination relating to the appropriateness of an electric utility or transmission and distribution utility owning and operating electric energy storage facilities.

(c) Prohibits this section from being interpreted to require an electric utility or transmission and distribution utility to install and electric energy storage facility.

SECTION 2.04. EFFECTIVE DATE. Provides that this article takes effect upon passage or September 1, 2007.

ARTICLE 3. EFFECTIVE DATE

SECTION 3.01. Effective date, except as otherwise provided by this Act: September 1, 2007.