

## **BILL ANALYSIS**

Senate Research Center

H.B. 2129  
By: Bonnen (Armbrister)  
Natural Resources  
5/18/2005  
Committee Report (Amended)

### **AUTHOR'S/SPONSOR'S STATEMENT OF INTENT**

Many of the state's efforts at improving air quality have focused on industry. There are cost-effective measures homeowners and businesses can take to improve air quality. There are a number of organizations throughout the state with the expertise to develop residential and commercial energy efficiency programs that could clean the air and save consumers money. Air quality improvements achieved through energy efficiency can be claimed under the state implementation plan.

H.B. 2129 directs the A&M Energy Systems Laboratory, the State Energy Conservation Office, and certain utilities to research consumer-oriented efficiency and air quality improvement options.

### **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 Chapter 388, Health and Safety Code, by adding Section 388.012, as follows:

Sec. 388.012. DEVELOPMENT OF ALTERNATIVE ENERGY-SAVING METHODS. Requires the Energy Systems Laboratory at the Texas Engineering Experiment Station of The Texas A&M University System to develop at least three alternative methods for achieving a 15 percent greater potential energy savings in residential, commercial, and industrial construction than the potential energy savings of construction that is in minimum compliance with Section 388.003 (Adoption of Building Energy Efficiency Performance Standards). Sets forth certain guidelines relating to the alternative methods.

SECTION 2. Amends Chapter 477, Government Code, by adding Section 447.012, as follows:

Sec. 447.012. APPLIANCE STANDARDS. Requires the state energy conservation office (office) to determine the feasibility and cost-benefit to consumers of setting appliance standards for appliances that are not currently regulated for energy efficiency in this state, if the office determines that the new standards would reduce the emission of air contaminants. Prohibits the office from considering the feasibility and cost-benefit to consumers of setting appliance standards for air conditioning systems under this section.

SECTION 3. Amends Chapter 31, Utilities Code, by adding Section 31.005, as follows:

Sec. 31.005. CUSTOMER-OPTION PROGRAMS. (a) Provides that this section applies to certain entities.

(b) Requires an entity to which this section applies to consider establishing certain customer-option programs that encourage the reduction of air contaminant emissions.

SECTION 4. Effective date: September 1, 2005.

## **SUMMARY OF COMMITTEE CHANGES**

### **Committee Amendment No. 1:**

Add the following appropriately numbered SECTION:

SECTION \_\_. Amends Section 386.252(a), Health and Safety Code, to authorize money in the fund to be used only to implement and administer programs established under the plan and is requires it to be allocated in a manner so that not less than 20 percent is to be used each year to support research related to air quality for the Houston-Galveston-Brazoria and Dallas-Fort Worth nonattainment areas by a nonprofit organization based in Houston of which \$296,000 each year is required to be contracted to the Energy Systems Laboratory at the Texas Engineering Experiment Station for the development and annual calculation of creditable statewide emissions reductions obtained through wind and other renewable energy resources for the State Implementation Plan.

### **Committee Amendment No. 2:**

Add the following appropriately numbered SECTION:

SECTION \_\_. Amends Section 386.056, Health and Safety Code, by adding Subsection (e), to require the commission to assure that emission reduction credits are authorized to be received in the Houston-Galveston nonattainment area for energy efficiency and urban heat island programs in connection with the State Implementation Plan for the eight-hour zone standard.

### **Committee Amendment No. 3:**

(1) On page 3, after line 9, add a new sub item (10) to the list of Section 31.005. CUSTOMER-OPTION PROGRAMS, Section (a):

"(10) a program to encourage the use of appropriate trees or other landscaping for energy efficiency."

(No Committee Amendment No. 4)

### **Committee Amendment No. 5:**

SECTION \_\_. Amends Section 39.904, Utilities Code, by adding Subsection (g), to require the commission, for installation by 2015 and in lieu of transmission upgrades, to establish a renewable energy credit program of 100 megawatts of distributed generation technology in each area that ERCOT has deemed congested and in each non-attainment area in the state."

### **Committee Amendment No. 6:**

Add the following appropriately numbered SECTION:

SECTION \_\_. Amends Subchapter B, Chapter 382, Health and Safety Code, by adding Section 382.0173, as follows:

Sec. 382.0173. AREAS SUBJECT TO EARLY ACTION COMPACTS. (a) Defines "early action compact," "nonattainment area," and "participating county."

(b) Requires the commission to take certain relating to the implementation regulation of certain air quality control measures.

### **Committee Amendment No. 7:**

Amends Committee Amendment No. 6 for H.B. 2129 by adding the following to Section 382.0173(b) in the appropriately numbered section:

"(4) This section only applies to early action compacts with a population of 1 million, and any measure shall only apply to those counties."