

## **BILL ANALYSIS**

Senate Research Center  
81R24392 BEF-D

H.B. 1993  
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Natural Resources  
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Engrossed

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

Devastating hurricanes can leave millions of Texans without power for days or weeks. In 2008, Hurricane Ike caused an estimated \$20 billion in economic losses to Texas and compromised the health and safety of Texans who live in storm-ravaged regions of the state.

The state has a vital interest in ensuring that certain critical government buildings have reliable systems of back-up power generation. The bill requires certain critical government buildings, at the time of construction or major renovations, to evaluate implementing technologies, like combined heat and power (CHP), that are capable of supplying electricity to the building for a minimum of 14 days and achieving 60 percent efficiency. If the evaluation determines that the expected energy savings associated with CHP outweigh the expected costs, then the government entity may equip the facility with CHP. The bill requires the State Energy Conservation Office to adopt rules to implement the provisions of this Act.

H.B. 1993 relates to certain energy security technologies for critical governmental facilities.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the State Energy Conservation Office in SECTION 1 (Section 2311.002, Government Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subtitle G, Title 10, Government Code, by adding Chapter 2311, as follows:

#### **CHAPTER 2311. ENERGY SECURITY TECHNOLOGIES FOR CRITICAL GOVERNMENTAL FACILITIES**

Sec. 2311.001. DEFINITIONS. Defines "combined heating and power system" and "critical governmental facility."

Sec. 2311.002. COMBINED HEATING AND POWER SYSTEMS. (a) Requires the entity with charge and control of a critical governmental facility, when constructing or extensively renovating the facility or replacing major heating, ventilation, and air-conditioning equipment for the facility, to evaluate whether equipping the facility with a combined heating and power system would result in expected energy savings that would exceed the expected costs of purchasing, operating, and maintaining the system over a 20-year period. Authorizes the entity, notwithstanding Chapter 2302 (Cogeneration), to equip the facility with a combined heating and power system if the expected energy savings exceed the expected costs.

(b) Requires the State Energy Conservation Office to adopt rules governing responsibility for payment of expenses in connection with the evaluation required under Subsection (a). Requires that the rules, to the extent possible, provide for the evaluation to be conducted by a third party willing to conduct the analysis without cost to the governmental entity or a potential provider of services in connection with the construction or extensive renovation of a critical governmental facility or the replacement of major heating, ventilation, and air-conditioning equipment for a critical governmental facility. Requires that the

rules also provide for the payment of expenses from federal funds available for that purpose.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2009.