

The 87th Session of the Texas Legislature is in full swing, and the South-central Partnership for Energy Efficiency as a Resource (SPEER) continues to closely monitor and work with our allied partners to develop legislative solutions that can positively impact ALL Texans.

Over the past year plus, not only has a world-wide pandemic affected energy use in the Lone Star State, the recent winter storm of 2021 exposed vulnerabilities within the Texas power structure that bring to light the need for greater efficiency measures, as well as, greater capabilities to enhance the resiliency of the Texas power grid. Energy Efficiency continues to be a force-multiplier for the Texas power system and several key legislative elements could help to increase the amount of energy saved while just as importantly, saving Texans millions of dollars a year in energy costs and helping to improve quality of life for all.

As a DRIVER of Energy Efficiency, SPEER supports increased efficiency GOALS for Investor Owned Utilities (IOU):

SB 243 by Sen Eckhardt – Investor Owned Utilities are required annually to support energy efficiency by offering market based programs both commercially and residentially that reduce demand and peak energy load usage. Annually, roughly \$6.25 per Texan is spent on these programs, however, SPEER and many of our allied organizations feel that more can be done through smaller incremental tiered increases. SB 243 would increase GOALS by .25 percent annually until a 1% increase is achieved in 2025 for the Energy Efficiency Resource Standard (EERS). This could reduce consumption over the four year span by the amount of power needed to serve more than 50,000 Texas homes.

As Texas continues to lead the nation in building, CODES play a vital part in DECREASING the amount of energy used, while adding to a resilient stock of supply:

HB 738 by Rep Paul – Though a leader in building, both residentially and commercially, Texas lags well behind in building code standards. Building Codes are set on a three-year cycle, with many municipalities utilizing the recent version of the 2018 body of codes. However, many other cities and regions are using outdated and less efficiency based code standards from as far back as 2009, a full decade behind current standards. It is time for TEXAS to be a leader, not a lagger in code adoption. HB 738 by Rep Paul would help to bridge the gap in many areas by increasing the minimum code standard to a more updated and efficiency based application.

Texans can help drive innovation, efficiency and strengthen the economy by developing a well-trained workforce, which includes utilizing one of our strongest resources, veterans:

HB 739 by Rep Lopez – Creating a stronger energy sector workforce, including utilizing one of the states more qualified resources, our VETERANS, is a key factor as Texas pushes the boundaries on our power resources. Programs that can be developed to help transitioning veterans or those looking to change careers can have long lasting optimistic outcomes while laying the groundwork for a well-trained workforce that can drive our economy and efficiency forward. HB 739 would set up grant programs through the Texas Veterans Commission that would be used for energy sector training and education for these proud protectors.

Multiple legislative filings could have an impact on the state of the Texas power structure:

There are currently well over 200 bills that have been filed that could have both positive and negative impacts on the state of energy efficiency and the power structure in Texas. HB's 10 - 17 (below) have been noted as **HIGH priority bills by the Governor and Lt Governor** based on the recent winter storm, they cover the following:

- Relating to the governing body of the independent organization certified to manage the ERCOT power region
- Relating to the extreme weather emergency preparedness of facilities for providing electric service
- Relating to a study on a statewide disaster and extended power outage alert system and implementation of that system.
- Relating to a prohibition on the sale of wholesale indexed products by retail electric providers
- Relating to a restriction on the regulation of utility services and infrastructure based on the energy source to be used or delivered.
- Relating to the establishment of the Texas Energy Disaster Reliability Council
- Relating to the creation of the Texas Electricity Supply Chain Mapping Committee.

These legislative filings will potentially have Committee Hearings in the coming weeks, and as the process makes it way forward, SPEER will monitor and examine what impact these could have on the landscape of the Texas energy market/s.

Items of interest:

Aside from the priority items, many other bills have been filed that include the following:

- Environmental Justice Commissions
- Energy storage and distributed energy resources
- Reduction of tax credits on “renewable energy sources”
- Smart-meter technology
- Restriction of utility type
- Energy Efficiency loans and grants
- Demand Response actions – Commercial/Residential
- Study of the Texas energy system – Task Forces/Groups
- Customer choice and Retail Electric Providers

These and other legislative items can be found at <https://capitol.texas.gov/> by searching the key-word and/or bill search query.