

By: Anchia

H.B. No. 1421

A BILL TO BE ENTITLED

# 1 AN ACT

2 relating to the classification and use of energy storage equipment  
3 or facilities and the provision of studies and reports regarding  
4 energy storage equipment or those facilities.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Chapter 31, Utilities Code, is amended by adding  
7 Section 31.006 to read as follows:

8 Sec. 31.006. ENERGY STORAGE EQUIPMENT OR FACILITIES.

9 (a) The commission by rule shall classify energy storage equipment  
10 or facilities in this state as a separate class or separate classes  
11 of equipment or facilities, distinct from generation or  
12 transmission and distribution equipment or facilities. A rule  
13 adopted under this section may not prohibit energy storage  
14 equipment or facilities from being used to provide a service  
15 related to the generation, transmission, or distribution of  
16 electricity in this state.

17                   (b) The commission by rule shall provide a mechanism for a  
18 transmission and distribution utility to provide transmission and  
19 distribution services using energy storage equipment or facilities  
20 owned or operated by the utility or by another person.

21 SECTION 2. Section 39.904(k), Utilities Code, is amended to  
22 read as follows:

23 (k) The commission and the independent organization  
24 certified for EPCOT shall study the need for increased transmission

1 capacity, [and] generation capacity, and energy storage capacity  
2 throughout this state and report to the legislature the results of  
3 the study and any recommendations for legislation. The report must  
4 be filed with the legislature not later than December 31 of each  
5 even-numbered year and may be filed as a part of the report required  
6 by Subsection (j).

7 SECTION 3. Sections 39.905(b-3) and (d), Utilities Code,  
8 are amended to read as follows:

9 (b-3) Not ~~[Beginning not]~~ later than January 1, 2012 ~~[2008]~~,  
10 the commission, in consultation with the State Energy Conservation  
11 Office, ~~[annually for a period of five years]~~ shall compute and  
12 report to ERCOT the projected energy savings and demand impacts for  
13 each entity in the ERCOT region that administers standard offer  
14 programs, market transformation programs, combined heating and  
15 power technology, demand response programs, solar incentive  
16 programs, appliance efficiency standards, energy efficiency  
17 programs in public buildings, energy storage technology, and any  
18 other relevant programs that are reasonably anticipated to reduce  
19 electricity energy or peak demand or that serve as substitutes for  
20 electric supply.

21 (d) The commission shall establish a procedure for  
22 reviewing and evaluating market-transformation program options  
23 described by this subsection and other options. In evaluating  
24 program options, the commission may consider the ability of a  
25 program option to reduce costs to customers through reduced demand,  
26 energy savings, and relief of congestion. Utilities may choose to  
27 implement any program option approved by the commission after its

1 evaluation in order to satisfy the goal in Subsection (a),  
2 including:

3 (1) energy-smart schools;  
4 (2) appliance retirement and recycling;  
5 (3) air conditioning system tune-ups;  
6 (4) the use of trees or other landscaping for energy  
7 efficiency;

8 (5) customer energy management and demand response  
9 programs;

10 (6) high performance residential and commercial  
11 buildings that will achieve the levels of energy efficiency  
12 sufficient to qualify those buildings for federal tax incentives;

13 (7) programs for customers who rent or lease their  
14 residence or commercial space;

15 (8) programs providing energy monitoring equipment to  
16 customers that enable a customer to better understand the amount,  
17 price, and time of the customer's energy use;

18 (9) energy audit programs for owners and other  
19 residents of single-family or multifamily residences and for small  
20 commercial customers;

21 (10) net-zero energy new home programs;

22 (11) solar thermal or solar electric programs; ~~and~~

23 (12) programs for using windows and other glazing  
24 systems, glass doors, and skylights in residential and commercial  
25 buildings that reduce solar gain by at least 30 percent from the  
26 level established for the federal Energy Star windows program; and

27 (13) thermal, chemical, mechanical, and electrical

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1 energy storage technology programs.

2 SECTION 4. This Act takes effect September 1, 2011.