



Enhancements to Advanced Electricity Metering

CSSB 711 by Sen. Carona

AECT Position: Support

Background

- CSSB 711 provides that metering services for residential and small-medium business customers will move back to the fully regulated investor-owned transmission and distribution utilities (TDUs), while the largest commercial and industrial customers in the state will continue to be subject to competitive metering services.
- The bill requires the PUC to study and provide a report to the legislature by September 30, 2006, detailing current efforts by utilities to capture the benefits of advanced metering technologies, and identify any barriers to deployment of these advanced technologies.
- It immediately removes one of the largest known barriers to investor-owned utility deployment of advanced metering technologies by assuring timely recovery of reasonable and necessary costs for such investments.

Discussion

- Advanced electric meters and meter data networks utilize new digital electronics technology to modernize the electricity distribution system (“smart grid”).
- A “smart grid” would provide many benefits to consumers, including: 1) enhanced distribution system safety and reliability, 2) quicker outage restoration, 3) faster “move-ins” for customers, and 4) more creative demand-side energy savings solutions by providing real-time pricing signals to customers, just to mention a few.
- Moving the ownership of metering services back to the fully regulated TDUs will provide certainty for those utilities that want to the install advanced meters and meter data networks to provide these benefits to customers.





Energy Efficiency and Research & Development

CSSB 712 by Rep. Carona

AECT Position: **Support**

Background

- CSSB 712 would:
 - Allow energy efficiency technologies that reduce peak demand to be eligible as energy efficiency programs established by the Texas Electric Choice Act;
 - allow for ten percent of the energy efficiency funds presently included in rates to be used on research and development initiatives by electric utilities;
 - encourage electric utilities to pursue cost-effective energy efficiency savings beyond the ten percent presently required, and up to twenty percent of the utility's load growth, by providing for the recovery of such incremental costs together with an additional five percent of such incremental costs as an incentive for utilities to pursue such savings; and
 - establish a standard offer program that is neutral with respect to technologies, equipment or fuels and must facilitate the use of emerging technologies, including thermal, chemical, mechanical and energy-storage technologies.
- The bill also requires the Public Utility Commission of Texas (PUC) to establish market transformation programs for energy-smart schools, appliances, air conditioning system tune-ups, and use of landscaping.

Discussion

- CSSB 712 continues Texas' strong support of cost-effective energy efficiency programs by electric utilities.
- The bill would allow increased funding for research and development of emerging electricity technologies that will help ensure the longevity of the energy efficiency program.
- It encourages electric utilities to increase energy efficiency program funding above the current goal, up to an equivalent 20% peak demand savings, if approved by the PUC.

