

Oppose Duplicative Electric Generation Task Force

HB 366 by Rep. Anderson

AECT Position: Oppose as Filed

Proposal

- HB 366 would create an Electric Energy and Environmental Impact Task Force, composed of representatives from the Public Utility Commission of Texas (PUC), the Texas Commission on Environmental Quality (TCEQ), the Electric Reliability Council of Texas (ERCOT) and the Texas Water Development Board (TWDB).
- The Task Force would meet quarterly to study Texas' long-term demand for electric generation capacity, environmental effects of generation capacity, consider the effects of permitting certain power plants and review changes to statutes and regulations.
- Under HB 366, the TCEQ would not be allowed to grant a permit to operate an electric generating facility if the Task Force found the issuance of the permit was not necessary to meet the state's demand for electric generation capacity.

AECT Position

- AECT believes the competitive wholesale market will bring forward the right mix of technology and fuel type.
- Each generation decision would need to be reviewed quarterly by the new Task Force. Thus, HB 366 would create increased regulatory uncertainty in the generation market. Furthermore, giving the task force the power to determine whether a new generating facility is necessary adds yet another, unnecessary regulatory hurdle for construction of generation capacity.
- The criteria included in HB 366 would slow development of new generation.
- Development of generation capacity is already reviewed by the TCEQ in regards to environmental impact, while infrastructure improvements, such as transmission lines, are already reviewed by the PUC. Moreover, generation development is reported to both the PUC and ERCOT.