



## Our Environmental Record

*A Texas Model for a Clean Environment and a Robust Economy*

In contrast to the federal government and some other states – notably California – Texas’ approach to protecting the environment has focused not on punitive action toward the energy industry, but on working with the industry to establish reasonable goals for renewable generation capacity and other environmentally-friendly approaches. The state has also focused its efforts on demand-side measures that reduce energy consumption. A time-line of Texas’ recent legislation pertaining to renewable energy follows:

Year	Legislation	Purpose
<b>1999:</b>	<b>Senate Bill 7(76R)</b>	The bill that deregulated aspects of the electric utility industry also established a renewable energy generation target of 2,880 megawatts by January 2009. <sup>1</sup>
<b>2001:</b>	<b>Senate Bill 5 (77R)</b>	Established the Texas Emissions Reduction Plan (TERP). TERP is a comprehensive range of incentive programs aimed at improving air quality in Texas. Three main incentive programs are operated through TERP are emissions reduction grants, rebate grants for the replacement of certain vehicles, and new research and development grants.
<b>2005:</b>	<b>Senate Bill 712 (79R)</b>	Clarified the development of energy efficiency programs.
	<b>House Bill 2129 (79R)</b>	Enacted various consumer oriented emission reduction strategies and directed the Energy Conservation Office to examine the feasibility of setting new environmental standards for consumer appliances that were not already regulated. Established a process to incent the deployment of advanced metering systems that will enable customers to better understand and control their use of electricity.
	<b>Senate Bill 20 (79S1)</b>	Expanded the state’s renewable energy generation goal from 2,880 megawatts of generating capacity to 5,880 megawatts by 2015 and 10,880 megawatts by 2025. Initiated development of Competitive Renewable Energy Zones (CREZ) which will result in approximately \$5 billion in new transmission lines to bring west Texas wind and other

generation resources to urban areas. The bill also encouraged at least 500 megawatts of the renewable target to be derived from non-wind sources.

- 2007: House Bill 1090 (80R)** Established incentives for the development of biomass-generated energy and removed statutory and regulatory impediments to the expansion of renewable energy in Texas.
- House Bill 1386 (80R)** Provided a mechanism through which nuclear plant owners must demonstrate that they can fund the safe decommissioning of the plant when it closes. This protects the environment and ensures that taxpayers are not burdened with nuclear decommissioning costs.
- House Bill 2293 (80R)** Requires at least ten percent of the vehicles purchased by state agencies to low-emission and fuel-efficient, assuming that this is commercially viable for the type of vehicle in question.
- House Bill 2994 (80R)** Allows local communities to leverage the Texas Economic Development Act to offer incentives to encourage nuclear power-generating facilities or integrated gasification combined cycle facilities to locate or expand in Texas.
- House Bill 3693 (80R)** Increased the state's energy efficiency goals in order to provide reductions in consumption and demand to protect the reserve margin and avoid crises during peak periods.
- 2009: House Bill 469 (81R)** Established a state franchise credit for companies that develop carbon capture and sequestration projects in Texas.
- House Bill 1796 (81R)** Created a program to develop an offshore deep subsurface geologic repository for the storage of carbon dioxide emissions. The bill also established an incentive program to encourage development of technology that will reduce emissions from facilities and stationary sources. Eligible project will include: advanced clean energy projects; projects that reduce emissions of regulated pollutants; and, electricity storage projects related to renewable energy.
- Senate Bill 1387 (81R)** Created a workable regulatory framework for the non-commercial sequestration of carbon dioxide emissions.

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<sup>i</sup> House Research Organization Bill Analysis, Senate Bill 7 (76R).