

STATE AND FEDERAL UPDATE
CPS ENERGY BOARD OF TRUSTEES MEETING
January 31, 2011



Presented by:
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SIGNIFICANCE OF ELECTIONS

Last Session (81st)

This Session (82nd)

House Republicans 77

House Republicans 101

House Democrats 73

House Democrats 49

Senate Republicans 19

Senate Republicans 19

Senate Democrats 12

Senate Democrats 12

***Joe Straus (R – San Antonio) re-elected as House Speaker**

KEY DATES

Monday, November 8, 2010

Pre-filing of legislation began

Tuesday, January 11, 2011

82nd Legislature convened

Friday, March 11, 2011

Bill filing deadline

Monday, May 30, 2011

Last day of the 82nd Regular Session

Sunday, June 19, 2011

Last day governor can sign or veto bills

CPS Energy – Preparatory Work

- **Interim Activities**
- **Issue Identification / Designation of Legislative Analysts**
- **Legislative Analyst Training**
- **Legislative Roundtable**

STATEWIDE ISSUES

- **State Budget**
- **Redistricting**
- **Sunset Review**
- **Immigration**
- **Voter Identification**
- **Gaming**

INDUSTRY ISSUES

- **Condemnation / Eminent Domain**
 - *Emergency item per Gov. Perry
- **Fuel Switching**
- **Air Quality**
- **Water**

SUNSET REVIEW

- **Public Utility Commission / ERCOT**
- **Railroad Commission**
- **Commission on Environmental Quality**
- **Texas Department of Transportation**

PUBLIC POWER ISSUES

- **External MOU Transmission**
- **Energy Efficiency Mandate**
- **Non-Wind Renewables**

PUBLIC POWER ISSUES

- **Competitive Matters Exemption**
- **MOU Generation Planning**
- **MOU Partial Opt-In**

OPPORTUNITIES & CHALLENGES

- **State Energy Plan**
- **Solar & Economic Development**
- **Alternative Fueled Vehicles**
- **Edwards Aquifer Recovery Implementation Program (EARIP) Funding**

FEDERAL UPDATE

112th Congress



SIGNIFICANCE OF ELECTIONS

<u>Last Congress</u>		<u>This Congress</u>	
House Republicans	178	House Republicans	242
House Democrats	257	House Democrats	193
Senate Republicans	41	Senate Republicans	47
Senate Democrats	57	Senate Democrats	51
Independents	2	Independents	2

CONGRESSIONAL AGENDA

- Create jobs, budget discipline, and regulation oversight
- Energy policy will be shaped by its impact on job creation and efforts to grow the economy
- Debate will move away from cap-and-trade and focus more on technology proven, market oriented approaches

KEY PLAYERS

HOUSE:

- Rep. John Boehner (R – OH) Speaker of the House
- Rep. Darrell Issa (R – CA) Chair, Committee on Government Reform
- Rep. Dave Camp (R – MI) Chair, Committee on Ways & Means
- Rep. Fred Upton (R – MI) Chair, Committee on Energy & Commerce
- Rep. Sue Myrick (R – NC) Vice-Chair, Committee on Energy & Commerce
 - ❖ Rep. John Shimkus (R – IL) Chair, Sub on Environment & Economy
 - ❖ Rep. Ed Whitfield (R – KY) Chair, Sub on Energy & Power

SENATE:

- Sen. Harry Reid (D – NV) Senate Majority Leader
- Sen. Jeff Bingaman (D – NM) Chair, Committee on Energy & Natural Resources
- Sen. Boxer (D – CA) Chair, Committee on Environment & Public Works
- Sen. Baucus (D – MT) Chair, Committee on Finance

HOUSE ENERGY AGENDA

SPEAKER BOEHNER:

- Congressional approval for all regulations that will affect private industry by more than \$100 million

CHAIRMAN UPTON:

- Halt EPA from moving forward with environmental regulations
- End the DOE weatherization and Homestar programs

CHAIRMAN ISSA:

- Currently investigating and collecting data on how proposed regulations, including EPA's, affect job creation
- Business leaders will be invited to testify at upcoming hearings

HOUSE ENERGY AGENDA

- Other issues that could be included are:
 - ❖ Nuclear development
 - ❖ Domestic oil and natural gas development
 - ❖ Tax incentives for electric vehicles and energy efficiency measures

SENATE ENERGY AGENDA

- **Clean Energy Standard (CES)**
- **EPA Delay Bill**
- **Energy Efficiency**
- **Cyber Security**
- **3P Multi-Pollutant Bill**

OPPORTUNITIES & CHALLENGES

- **Nuclear Production Tax Credit**
- **Nuclear Loan Guaranty Program**
- **Renewables & Economic Development**
- **Tax Code Reform**

OPPORTUNITIES & CHALLENGES

- **Alternative Fueled Vehicles**
- **Natural Gas Act Reform**
- **Pipeline Safety Reauthorization**

