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To the members of the House Committee on Environmental Regulation.

Via hand delivery.

March 29, 2021

Re: HB 1533 by Rep. Reynolds - Supporting testimony of Public Citizen

Dear Chairman Landgraf and members of the committee:

Public Citizen appreciates the opportunity to testify in support of HB 1533 by Rep. Reynolds, relating to the creation of an energy efficiency loan guarantee program under the Texas emissions reduction plan.

HB 1533 establishes an energy efficiency loan guarantee program. There are many reasons to support investment in energy efficiency, including:

- Ensuring reliability of the state's energy grid during times of high demand, such as the recent winter storm.
- Reduced energy bills for consumers.
- More efficient use of limited resources.
- Transitioning away from the use of polluting fossil fuels.

HB 1533 creates an energy efficiency loan-guarantee program within the Texas Emissions Reduction Plan and administered by the State Energy Conservation Office. TERP is a large fund for reducing air pollution from which between \$1 and 5 million would be withdrawn. The loans would pay for energy efficiency upgrades in residential buildings and would be administered by SECO, which already runs two revolving loan programs for state buildings for both energy efficiency and renewable energy. The program would most likely be run by a third-party and be able to attract private financing.

With access to loans, more residential energy customers will have access to energy efficiency upgrades. These could include:

- Insulation,
- Sealing cracks, such as around windows, doors and plumbing,
- Sealing leaky HVAC ductwork, and
- Solar screens for windows.

Energy efficiency has air quality benefits as it reduces the use of polluting fossil fuels. HB 1533 includes an annual report that will quantify the air pollution benefits for the purpose of achieving compliance with the federal Clean Air Act.



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We support HB 1533 because it will open energy efficiency programs to additional residential consumers.

I appreciate the opportunity and welcome questions at ashelley@citizen.org, 512-477-1155.

Respectfully,

Adrian Shelley
Texas Office Director, Public Citizen

CC: Rep. Alex Dominguez, Rep. Jay Dean, Rep. Vikki Goodwin, Rep. Kyle J. Kacal, Rep. John Kuempel, Rep. Penny Morales Shaw, Rep. Geanie W. Morrison, Rep. Ron Reynolds