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HB 1533 (Reynolds): A timely idea post-URI to increase energy efficiency in Texas

HB 1533 would add a loan-guarantee program to the Texas Emissions Reduction Plan at the State Energy Conservation Office for energy efficiency upgrades at residential buildings. The bill would use a small amount of TERP funds -- between \$1 million and \$5 million - to create a state-backed loan-guarantee for a revolving loan fund for residential buildings. SECO 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. Other states -- including Kentucky, Oregon, Hawaii, Pennsylvania, and Connecticut -- have created similar mechanisms to help incentivize energy efficient retrofits of existing residential buildings.

Sometimes known as WHEEL - or Warehouse for Energy Efficiency Loans - such programs help use state-backed funds to create better interest rates for energy efficiency loans, while potentially creating private funds and bunding money.

During Uri, millions of Texans learned first-hand, why weatherization homes, adding insulation, better windows and upgrading appliances like heating, stoves, washing machines can be the difference at times of life or death. They also learned that we can reduce bills and improve quality of life with small scale investments of \$3,000 to \$15,000, paid back over time.

While the state does have some limited weatherization programs through the TDHCA and certain utility programs, those programs are designed for specific populations at 125% of the federal poverty level. Millions of other low-to-moderate Texans lack access to good energy efficiency programs.

Energy efficiency does have clean air benefits through reduction of energy use, and HB 1533 includes a requirement for an annual report and an analysis of the clean air benefit and energy savings.

Sierra Club believes that this idea contained in Rep Reynolds bill should also be considered as part of the state's larger efforts post-Uri to help weatherize not only power plants, but homes and could be incorporated into other bills.