

By: Hunter

H.B. No. 4836

A BILL TO BE ENTITLED

AN ACT

relating to the legislature's goals for natural gas generating capacity.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Sections 39.9044(a) and (c), Utilities Code, are amended to read as follows:

(a) It is the intent of the legislature that 50 percent of the megawatts of generating capacity installed in this state after January 1, 2000, use natural gas. To the extent permitted by law, the commission shall establish a program to encourage utilities to comply with this section by using natural gas produced in this state as the preferential fuel. ~~[This section does not apply to generating capacity for renewable energy technologies.]~~

(c) The ~~[Not later than January 1, 2000, the]~~ commission shall adopt rules necessary to administer and enforce this section and to perform any necessary studies in cooperation with the Railroad Commission of Texas. At a minimum, the rules shall:

(1) establish the minimum annual natural gas generation requirement for each power generation company, municipally owned utility, and electric cooperative operating in this state in a manner reasonably calculated by the commission to produce, on a statewide basis, compliance with the requirement prescribed by Subsection (a); and

(2) specify reasonable performance standards that all

1 natural gas capacity additions must meet to count against the
2 requirement prescribed by Subsection (a) and that:

3 (A) are designed and operated so as to maximize
4 the energy output from the capacity additions in accordance with
5 then-current industry standards and best industry standards; and

6 (B) encourage the development, construction, and
7 operation of new natural gas energy projects at those sites in this
8 state that have the greatest economic potential for capture and
9 development of this state's environmentally beneficial natural gas
10 resources.

11 SECTION 2. This Act takes effect September 1, 2023.