

By: Raymond

H.B. No. 3896

A BILL TO BE ENTITLED

AN ACT

relating to the generation of electric power for sale by a water supply or sewer service corporation.

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

SECTION 1. Subchapter A, Chapter 67, Water Code, is amended by adding Section 67.0115 to read as follows:

Sec. 67.0115. ELECTRIC GENERATION. (a) A corporation operating in ERCOT, as defined by Section 31.002, Utilities Code, may register as a power generation company under Section 39.351, Utilities Code.

(b) A corporation registered as a power generation company may generate electric power for sale in the ERCOT power region to provide revenue for the corporation. The revenue that accrues from the sale of electric power may be used by the corporation only for:

(1) the corporation's costs of producing and selling electric power, including administration, employees, equipment, fuel, and maintenance; or

(2) a purpose described by Section 67.002.

(c) A corporation that generates electric power for sale shall account for and use the revenue from those sales in a manner that complies with Section 67.004.

SECTION 2. This Act takes effect September 1, 2025.