BILL ANALYSIS

Senate Research Center 80R5261 TAD-D

H.B. 1214 By: Christian et al. (Fraser) Business & Commerce 5/18/2007 Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 20, 79th Legislature, Regular Session, 2005, a target was adopted for 500 megawatts of "non-wind" renewable generation to be installed by 2015 in order to support the development of renewable energy resources such as biomass power, geothermal power, solar power, hydropower and others. However, the Public Utility Commission of Texas has been hindered in its effort to implement S.B. 20 by uncertainty regarding whether the legislature intended the 500 megawatts non-wind target to be voluntary or mandatory.

The development of non-wind renewable generation will bring significant economic and environmental benefits to electricity consumers in Texas. Non-wind renewable resources can provide reliable base load renewable generation, generation located in areas without transmission constraints and provide other local economic benefits.

H.B. 1214 requires 500 megawatts of non-wind renewable generation be installed by 2015.

RULEMAKING AUTHORITY

Rulemaking authority previously granted to the Public Utility Commission of Texas is modified in SECTION 1 (Section 39.904, Utilities Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 39.904(a) and (c), Utilities Code, as follows:

- (a) Requires, of the cumulative renewable energy technology generating capacity installed to meet the goal of this subsection after September 1, 2007, a total of at least 500 megawatts of capacity from renewable energy technologies other than wind energy technologies to be installed by January 1, 2015. Deletes existing text requiring the Public Utility Commission of Texas (PUC) to establish a target of having at least 500 megawatts of capacity from a renewable energy other than wind energy as part of the renewable energy technology generating capacity installed to meet the goal of this subsection after September 1, 2005.
- (c) Requires PUC to adopt rules to administer and enforce this section (Goal for Renewable Energy). Requires the rules, at a minimum, to establish the minimum annual renewable energy requirement, including a minimum annual requirement for the installation of generating capacity from renewable energy technologies other than wind energy technologies, for certain entities. Deletes existing text requiring rules to be adopted by PUC not later than January 1, 2000.

SECTION 2. Effective date: September 1, 2007.