

By: Anchia

H.B. No. 1655

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the rights of distributed renewable generation owners
3 and certain parties who provide distributed renewable generation to
4 retail electric customers.

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

6 SECTION 1. Section 31.002(6), Utilities Code, is amended to
7 read as follows:

8 (6) "Electric utility" means a person or river
9 authority that owns or operates for compensation in this state
10 equipment or facilities to produce, generate, transmit,
11 distribute, sell, or furnish electricity in this state. The term
12 includes a lessee, trustee, or receiver of an electric utility and a
13 recreational vehicle park owner who does not comply with Subchapter
14 C, Chapter 184, with regard to the metered sale of electricity at
15 the recreational vehicle park. The term does not include:

16 (A) a municipal corporation;

17 (B) a qualifying facility;

18 (C) a power generation company;

19 (D) an exempt wholesale generator;

20 (E) a power marketer;

21 (F) a corporation described by Section 32.053 to
22 the extent the corporation sells electricity exclusively at
23 wholesale and not to the ultimate consumer;

24 (G) an electric cooperative;

- 1 (H) a retail electric provider;
- 2 (I) this state or an agency of this state; ~~[or]~~
- 3 (J) a person not otherwise an electric utility

4 who:

5 (i) furnishes an electric service or
6 commodity only to itself, its employees, or its tenants as an
7 incident of employment or tenancy, if that service or commodity is
8 not resold to or used by others;

9 (ii) owns or operates in this state
10 equipment or facilities to produce, generate, transmit,
11 distribute, sell, or furnish electric energy to an electric
12 utility, if the equipment or facilities are used primarily to
13 produce and generate electric energy for consumption by that
14 person; or

15 (iii) owns or operates in this state a
16 recreational vehicle park that provides metered electric service in
17 accordance with Subchapter C, Chapter 184; or

18 (K) a distributed renewable generation owner, as
19 defined by Section 39.916, or a person with whom a retail electric
20 customer contracts to install or maintain distributed renewable
21 generation on the customer's side of the meter.

22 SECTION 2. The heading to Section 39.916, Utilities Code,
23 is amended to read as follows:

24 Sec. 39.916. ~~[INTERCONNECTION OF]~~ DISTRIBUTED RENEWABLE
25 GENERATION.

26 SECTION 3. Section 39.916(a)(2), Utilities Code, is amended
27 to read as follows:

1 (2) "Distributed renewable generation owner" means
2 the owner of distributed renewable generation. The term includes a
3 retail electric customer who contracts with another person to
4 install or maintain distributed renewable generation on the
5 customer's side of the meter, notwithstanding the fact that the
6 customer does not take actual ownership of the installed
7 distributed renewable generation.

8 SECTION 4. Section 39.916, Utilities Code, is amended by
9 amending Subsections (d) and (j) and adding Subsection (i) to read
10 as follows:

11 (d) The commission by rule shall establish safety,
12 technical, and performance standards for distributed renewable
13 generation that may be interconnected. In adopting the rules, the
14 commission shall consider standards published by the Underwriters
15 Laboratories, the National Electric Code, the National Electric
16 Safety Code, and the Institute of Electrical and Electronics
17 Engineers. The commission may not require a distributed renewable
18 generation owner or a person who contracts with a customer to
19 install or maintain distributed renewable generation on the
20 customer's side of the meter to register as a self-generator.

21 (i) The commission by rule shall establish a minimum rate at
22 which an electric utility or retail electric provider shall
23 purchase surplus electricity produced by distributed renewable
24 generation.

25 (j) Subject to Subsection (i), for [~~For~~] distributed
26 renewable generation owners in areas in which customer choice has
27 been introduced, the distributed renewable generation owner must

1 sell the owner's surplus electricity produced to the retail
2 electric provider that serves the distributed renewable generation
3 owner's load at a value agreed to between the distributed renewable
4 generation owner and the provider that serves the owner's load
5 which may include, but is not limited to, an agreed value based on
6 the clearing price of energy at the time of day that the electricity
7 is made available to the grid or it may be a credit applied to an
8 account during a billing period that may be carried over to
9 subsequent billing periods until the credit has been redeemed. The
10 independent organization identified in Section 39.151 shall
11 develop procedures so that the amount of electricity purchased from
12 a distributed renewable generation owner under this section is
13 accounted for in settling the total load served by the provider that
14 serves that owner's load by January 1, 2009. A distributed
15 renewable generation owner requesting net metering services for
16 purposes of this section must have metering devices capable of
17 providing measurements consistent with the independent
18 organization's settlement requirements.

19 SECTION 5. This Act takes effect September 1, 2009.