

By: Farabee

H.B. No. 2850

A BILL TO BE ENTITLED

AN ACT

relating to goals for renewable energy capacity derived from renewable energy sources other than sources using wind energy.

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

SECTION 1. Sections 39.904(a) and (o), Utilities Code, are amended to read as follows:

(a) It is the intent of the legislature that by January 1, 2015, an additional 5,000 megawatts of generating capacity from renewable energy technologies will have been installed in this state. The cumulative installed renewable capacity in this state shall total 5,880 megawatts by January 1, 2015, and the commission shall establish a goal [~~target~~] of 10,000 megawatts of installed renewable capacity by January 1, 2025. The cumulative installed renewable capacity in this state shall total 2,280 megawatts by January 1, 2007, 3,272 megawatts by January 1, 2009, 4,264 megawatts by January 1, 2011, 5,256 megawatts by January 1, 2013, and 5,880 megawatts by January 1, 2015. Of the renewable energy technology generating capacity installed to meet the goal of this subsection after September 1, 2005, the commission shall establish a goal [~~target~~] of having at least 3,000 [~~500~~] megawatts of capacity from a renewable energy technology other than a source using wind energy.

(o) The commission may establish an alternative compliance payment. An entity that has a renewable energy purchase

1 requirement under this section may elect to pay the alternative  
2 compliance payment instead of applying renewable energy credits  
3 toward the satisfaction of the entity's obligation under this  
4 section. The commission may establish a separate alternative  
5 compliance payment for the goal of 3,000 [~~500~~] megawatts of  
6 capacity from renewable energy technologies other than wind energy.  
7 The alternative compliance payment for a renewable energy purchase  
8 requirement that could be satisfied with a renewable energy credit  
9 from wind energy may not be less than \$2.50 per credit or greater  
10 than \$20 per credit. Prior to September 1, 2009, an alternative  
11 compliance payment under this subsection may not be set above \$5 per  
12 credit. In implementing this subsection, the commission shall  
13 consider:

14 (1) the effect of renewable energy credit prices on  
15 retail competition;

16 (2) the effect of renewable energy credit prices on  
17 electric rates;

18 (3) the effect of the alternative compliance payment  
19 level on the renewable energy credit market; and

20 (4) any other factors necessary to ensure the  
21 continued development of the renewable energy industry in this  
22 state while protecting ratepayers from unnecessary rate increases.

23 SECTION 2. This Act takes effect September 1, 2009.