

By: Huberty, Menendez

H.B. No. 2049

A BILL TO BE ENTITLED

AN ACT

relating to a qualifying cogeneration facility's ability to sell electric energy to multiple purchasers.

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

SECTION 1. Section 31.002(13), Utilities Code, is amended to read as follows:

(13) "Qualifying cogenerator" and "qualifying small power producer" have the meanings assigned those terms by 16 U.S.C. Sections 796(18)(C) and 796(17)(D). A qualifying cogenerator that provides electricity to a ~~the~~ purchaser of the cogenerator's thermal output is not for that reason considered to be a retail electric provider or a power generation company.

SECTION 2. Subchapter B, Chapter 37, Utilities Code, is amended by adding Section 37.0521 to read as follows:

Sec. 37.0521. EXCEPTION FOR RETAIL SALES BY CERTAIN QUALIFYING COGENERATORS. (a) A qualifying cogenerator may sell electric energy at retail to more than one purchaser of the cogenerator's thermal output under Sections 35.061 and 36.007.

(b) A qualifying cogenerator that sells electric energy at retail to more than one purchaser is not subject to regulation as a retail electric utility under Chapter 37 or subject to regulation as a retail electric provider or power generation company under this subtitle if the transmission facilities used to provide electricity necessary to serve the purchasers of the thermal output

1 are connected to the purchasers of the thermal output using
2 transmission facilities that are not owned or operated by an
3 electric utility.

4 (c) The limitation on the sale of electricity does not apply
5 to the sale of wholesale electricity.

6 (d) This section does not apply to a municipally owned
7 utility or an electric cooperative providing service to an area
8 where competition has not been introduced.

9 SECTION 3. This Act takes effect September 1, 2013.