

By: Huberty, Menendez

H.B. No. 2049

Substitute the following for H.B. No. 2049:

By: Cook

C.S.H.B. No. 2049

A BILL TO BE ENTITLED

1 AN ACT

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

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

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

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

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

15 Sec. 37.0521. EXCEPTION FOR RETAIL SALES BY CERTAIN
16 QUALIFYING COGENERATORS. (a) Notwithstanding any other provision
17 of this title, a qualifying cogenerator may sell electric energy at
18 retail to more than one purchaser of the cogenerator's thermal
19 output under Sections 35.061 and 36.007.

20 (b) A qualifying cogenerator that sells electric energy at
21 retail to more than one purchaser is not subject to regulation as a
22 retail electric utility under Chapter 37 or subject to regulation
23 as a retail electric provider or power generation company under
24 this subtitle if the transmission facilities used to provide

1 electricity necessary to serve the purchasers of the thermal
2 output:

3 (1) do not extend beyond the site of any thermal
4 purchaser; and

5 (2) are owned by the qualifying cogenerator, the
6 thermal purchaser, or an affiliate of the qualifying cogenerator or
7 thermal purchaser.

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

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

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