

By: Anchia

H.B. No. 2196

A BILL TO BE ENTITLED

AN ACT

relating to compensation for surplus electricity generated by distributed renewable generation.

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

SECTION 1. Section 39.916(j), Utilities Code, is amended to read as follows:

(j) A ~~For~~ distributed renewable generation owner located in an area ~~[owners in areas]~~ in which customer choice has been introduced may ~~[, the distributed renewable generation owner must]~~ sell the owner's surplus electricity produced to any ~~[the]~~ retail electric provider that serves the same competitive region ~~[distributed renewable generation owner's load]~~ at a value agreed to between the distributed renewable generation owner and the retail electric provider ~~[that serves the owner's load which may include, but is not limited to, an agreed value based on the clearing price of energy at the time of day that the electricity is made available to the grid]~~ or in exchange for ~~[it may be]~~ a credit that is applied to the distributed renewable generation owner's customer ~~[an]~~ account during a billing period and that may be carried over to subsequent billing periods until the credit has been redeemed. The independent organization identified in Section 39.151 shall develop procedures so that the amount of electricity purchased from a distributed renewable generation owner under this section is accounted for in settling the total load served by the

1 provider that serves that owner's load [~~by January 1, 2009~~]. A
2 distributed renewable generation owner requesting [~~net~~] metering
3 services for purposes of this section must have metering devices
4 capable of providing measurements consistent with the independent
5 organization's settlement requirements.

6 SECTION 2. Subchapter Z, Chapter 39, Utilities Code, is
7 amended by adding Section 39.917 to read as follows:

8 Sec. 39.917. EVALUATION OF COMPENSATION FOR DISTRIBUTED
9 GENERATION; ACTION ON TARIFFS. (a) The commission biennially shall
10 investigate whether distributed generation owners and distributed
11 renewable generation owners, as defined by Section 39.916, are
12 receiving fair compensation for the benefits provided to
13 transmission and distribution systems by distributed generation.
14 Not later than December 31 of each even-numbered year, the
15 commission shall report its findings and evaluation of the
16 compensation to the speaker of the house of representatives, the
17 lieutenant governor, and each committee of the house of
18 representatives and senate with primary jurisdiction over electric
19 utilities or the commission.

20 (b) If the commission finds after conducting an
21 investigation under Subsection (a) that distributed generation
22 owners or distributed renewable generation owners are not receiving
23 fair compensation under the terms of the delivery rate tariffs in
24 effect during that period, the commission shall take actions
25 necessary to ensure that the relevant tariffs are amended to
26 provide for adherence to cost-causation rate-making principles in a
27 manner that considers at least transmission and distribution

1 investment deferrals and reductions in congestion costs.

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