

1-1 By: Rodriguez S.B. No. 1478  
 1-2 (In the Senate - Filed February 11, 2013; March 18, 2013,  
 1-3 read first time and referred to Committee on Business and Commerce;  
 1-4 May 1, 2013, reported adversely, with favorable Committee  
 1-5 Substitute by the following vote: Yeas 6, Nays 0; May 1, 2013,  
 1-6 sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10			X	
1-11			X	
1-12	X			
1-13			X	
1-14	X			
1-15	X			
1-16	X			
1-17	X			

1-18 COMMITTEE SUBSTITUTE FOR S.B. No. 1478 By: Watson

1-19 A BILL TO BE ENTITLED  
 1-20 AN ACT

1-21 relating to the satisfaction of annual renewable energy  
 1-22 requirements by certain utilities.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Section 39.904, Utilities Code, is amended by  
 1-25 adding Subsection (c-1) to read as follows:

1-26 (c-1) Notwithstanding any other law, the commission by rule  
 1-27 shall require an investor-owned electric utility that was not  
 1-28 affiliated with ERCOT and was operating solely outside of ERCOT in  
 1-29 areas of this state that were included in the Western Electricity  
 1-30 Coordinating Council on January 1, 2013, to satisfy, not later than  
 1-31 December 31, 2015, at least 15 percent of the annual renewable  
 1-32 energy requirement under Subsection (c) through capacity or  
 1-33 purchases of renewable energy credits that are physically metered  
 1-34 and verified in the utility's Texas or New Mexico service area. The  
 1-35 electric utility must satisfy at least 20 percent of that energy  
 1-36 requirement in that manner by December 31, 2018, and at least 35  
 1-37 percent by December 31, 2021. These requirements are subject to the  
 1-38 following conditions:

1-39 (1) the electric utility may not be required to  
 1-40 satisfy more than the specified percentages through capacity or  
 1-41 purchases of renewable energy credits that are physically metered  
 1-42 and verified in the utility's Texas or New Mexico service area;

1-43 (2) the maximum amount per renewable energy credit  
 1-44 that the electric utility is required to incur in satisfaction of  
 1-45 this subsection is the lesser of \$50 or five times the average  
 1-46 amount the electric utility paid for the purchase of a renewable  
 1-47 energy credit for compliance in the previous year, and to the extent  
 1-48 renewable energy credits cannot be obtained for that price, the  
 1-49 electric utility is relieved of any further obligations under this  
 1-50 subsection for that year; and

1-51 (3) the commission shall count toward the satisfaction  
 1-52 of the obligations of this section any capacity or purchases of  
 1-53 renewable energy credits that:

1-54 (A) are physically metered and verified in the  
 1-55 utility's New Mexico service area; and

1-56 (B) are registered with a renewable energy  
 1-57 generation information system that is designed to create and track  
 1-58 ownership of renewable energy credits and that, through the use of  
 1-59 independently audited generation data, verifies the generation and  
 1-60 delivery of electricity associated with each renewable energy

2-1 credit and protects against counting the same renewable energy  
2-2 credit more than once.

2-3 SECTION 2. The Public Utility Commission of Texas shall  
2-4 adopt rules to implement Subsection (c-1), Section 39.904,  
2-5 Utilities Code, as added by this Act, as soon as practicable  
2-6 following the effective date of this Act, but not later than August  
2-7 31, 2014.

2-8 SECTION 3. This Act takes effect January 1, 2014.

2-9 \* \* \* \* \*