By:  Goldman H.B. No. 3916

A BILL TO BE ENTITLED

AN ACT

relating to prohibiting restrictive regulation of distributed power generation.

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

SECTION 1.  Subchapter Z, Chapter 181, Utilities Code, is amended by adding Section 181.903 to read as follows:

Sec. 181.903.  RESTRICTION ON REGULATION OF DISTRIBUTED GENERATION. (a) In this section:

(1)  "Regulatory authority" has the meanings assigned by Sections 11.003 and 101.003.

(2)  "Utility" has the meaning assigned by Section 181.901.

(b)  No Regulatory authority, planning authority, electric cooperative, municipally-owned utility, Utility, or political subdivision of this state may adopt or enforce an ordinance, resolution, regulation, code, order, policy, or other measure that has the purpose, intent, or effect of directly or indirectly banning, limiting, restricting, discriminating against, or prohibiting the synchronous connection or reconnection of distributed generation or the construction, maintenance, or installation of residential, commercial, or other public or private infrastructure to accommodate receipt of power from distributed generation. If located in the ERCOT power region, such Regulatory authority, planning authority, electric cooperative, municipally-owned utility, Utility, or political subdivision will facilitate the sale of power from distributed generation into the ERCOT wholesale market at the option of the end-use customer. Such Regulatory authority, planning authority, electric cooperative, municipally-owned utility, Utility, or political subdivision may, at the option of the end-use customer, either act as the Qualified Scheduling Entity to facilitate the wholesale sale of power from distributed generation or allow a third-party entity to provide such Qualified Scheduling Entity services.

(c)  An entity, including a Regulatory authority, planning authority, electric cooperative, municipally-owned utility, Utility, or political subdivision, may not impose any additional charge or pricing difference on a development, building permit applicant, ERCOT wholesale market access, or interconnection agreement for utility infrastructure that discourages or prohibits the connection or reconnection of distributed generation.

(d)  This section does not limit the ability of a Regulatory authority or political subdivision to choose utility services for properties owned by the Regulatory authority or political subdivision.

SECTION 2.  This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2021.