

By: Gervin-Hawkins

H.B. No. 1972

A BILL TO BE ENTITLED

AN ACT

relating to statewide requirements for renewable electric generating capacity.

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

SECTION 1. Sections 39.904(a), (c), and (o), Utilities Code, are amended to read as follows:

(a) Of the total amount of generating capacity installed in this state:

(1) 50 percent must come from renewable energy technologies by January 1, 2030; and

(2) 100 percent must come from renewable energy technologies by January 1, 2050. ~~[It is the intent of the~~

~~legislature that by January 1, 2015, an additional 5,000 megawatts of generating capacity from renewable energy technologies will have~~

~~been installed in this state. The cumulative installed renewable capacity in this state shall total 5,880 megawatts by January 1,~~

~~2015, and the commission shall establish a target of 10,000 megawatts of installed renewable capacity by January 1, 2025. The~~

~~cumulative installed renewable capacity in this state shall total 2,280 megawatts by January 1, 2007, 3,272 megawatts by January 1,~~

~~2009, 4,264 megawatts by January 1, 2011, 5,256 megawatts by January 1, 2013, and 5,880 megawatts by January 1, 2015. Of the~~

~~renewable energy technology generating capacity installed to meet the goal of this subsection after September 1, 2005, the commission~~

1 ~~shall establish a target of having at least 500 megawatts of~~
2 ~~capacity from a renewable energy technology other than a source~~
3 ~~using wind energy.]~~

4 (c) The [~~Not later than January 1, 2000, the~~] commission
5 shall adopt rules necessary to administer and enforce this section.
6 At a minimum, the rules shall:

7 (1) establish the minimum annual renewable energy
8 requirement for each retail electric provider, municipally owned
9 utility, and electric cooperative operating in this state in a
10 manner reasonably calculated by the commission to produce, on a
11 statewide basis, compliance with the requirement prescribed by
12 Subsection (a); and

13 (2) specify reasonable performance standards that all
14 renewable energy technologies [~~capacity additions~~] must meet to
15 count against the requirement prescribed by Subsection (a) and
16 that:

17 (A) are designed and operated so as to maximize
18 the energy output from the technologies [~~capacity additions~~] in
19 accordance with then-current industry standards; and

20 (B) encourage the development, construction, and
21 operation of new renewable energy projects at those sites in this
22 state that have the greatest economic potential for capture and
23 development of this state's environmentally beneficial renewable
24 resources.

25 (o) The commission may establish an alternative compliance
26 payment. An entity that has a renewable energy purchase requirement
27 under this section may elect to pay the alternative compliance

1 payment instead of applying renewable energy credits toward the
2 satisfaction of the entity's obligation under this section. [~~The
3 commission may establish a separate alternative compliance payment
4 for the goal of 500 megawatts of capacity from renewable energy
5 technologies other than wind energy. The alternative compliance
6 payment for a renewable energy purchase requirement that could be
7 satisfied with a renewable energy credit from wind energy may not be
8 less than \$2.50 per credit or greater than \$20 per credit. Prior to
9 September 1, 2009, an alternative compliance payment under this
10 subsection may not be set above \$5 per credit.] In implementing this
11 subsection, the commission shall consider:~~

12 (1) the effect of renewable energy credit prices on
13 retail competition;

14 (2) the effect of renewable energy credit prices on
15 electric rates;

16 (3) the effect of the alternative compliance payment
17 level on the renewable energy credit market; and

18 (4) any other factors necessary to ensure the
19 continued development of the renewable energy industry in this
20 state while protecting ratepayers from unnecessary rate increases.

21 SECTION 2. Not later than January 1, 2022, the Public
22 Utility Commission of Texas shall adopt rules required to
23 administer and enforce Section [39.904](#), Utilities Code, as amended
24 by this Act.

25 SECTION 3. This Act takes effect September 1, 2021.