

By: Deshotel

H.B. No. 3624

A BILL TO BE ENTITLED

AN ACT

1  
2 Relating to electricity customer rights to distributed energy  
3 storage.

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

5 SECTION 1. Section 35.152, Utilities Code, is amended by  
6 adding Subsection (e) to read as follows:

7 Sec. 35.152. (a) Electric energy storage equipment or  
8 facilities that are intended to be used to sell energy or ancillary  
9 services at wholesale are generation assets.

10 (b) The owner or operator of electric energy storage  
11 equipment or facilities that are generation assets under Subsection  
12 (a) is a power generation company and is required to register under  
13 Section 39.351(a). The owner or operator of the equipment or  
14 facilities is entitled to:

- 15 (1) interconnect the equipment or facilities;  
16 (2) obtain transmission service for the equipment or  
17 facilities; and  
18 (3) use the equipment or facilities to sell  
19 electricity or ancillary services at wholesale in a manner  
20 consistent with the provisions of this title and commission rules  
21 applicable to a power generation company or an exempt wholesale  
22 generator.

23 (c) Notwithstanding Subsection (a), this section does not  
24 affect a determination made by the commission in a final order

1 issued before December 31, 2010.

2 (d) Subsection (b) does not require a municipally owned  
3 utility or an electric cooperative that owns or operates electric  
4 energy storage equipment or facilities described by Subsection (a)  
5 to register as a power generation company under Section 39.351(a).

6 (e) The owner or operator of distributed renewable  
7 generation and distributed energy storage equipment or facilities,  
8 as defined by Section 39.916, that are installed on the retail  
9 electric customer's side of the meter are entitled to use the  
10 equipment or facilities to sell electricity or ancillary services  
11 at wholesale in manner consistent with the provisions of this  
12 title.

13 SECTION 2. Subchapter 2, Chapter 39, Utilities Code, is  
14 amended by adding Section 39.918 to read as follows:

15 Sec. 39.918. CUSTOMER RIGHT TO DISTRIBUTED ENERGY STORAGE.

16 (a) In this section:

17 (1) "Distributed renewable generation" means electric  
18 generation with a capacity of not more than 2,000 kilowatts  
19 provided by a renewable energy technology, as defined by Section  
20 39.904, that is installed on a retail electric customer's side of  
21 the meter.

22 (2) "Distributed energy storage" means electric  
23 energy storage with a capacity of not more than 2,000 kilowatts that  
24 is installed on a retail electric customer's side of the meter.

25 (3) "Owner" means:

26 (A) an owner of distributed renewable  
27 generation;

1                   (B) an owner of distributed storage;

2                   (C) an owner of distributed renewable generation  
3 and distributed storage; or

4                   (D) a retail electric customer on whose side of  
5 the meter distributed renewable generation and/or distributed  
6 energy storage is installed and operated, regardless of whether the  
7 customer takes ownership of the distributed renewable generation;  
8 or

9                   (E) a person who by contract is assigned  
10 ownership rights to energy produced from distributed renewable  
11 generation and/or distributed storage located at the premises of  
12 the customer on the customer's side of the meter.

13               (b) An electric utility shall allow an owner to the use of  
14 owner-supplied, UL-certified devices designed to isolate and  
15 disconnect household loads on the retail electric customer's side  
16 of the meter.

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