

By: Moody

H.B. No. 912

A BILL TO BE ENTITLED

AN ACT

relating to the compensation of a distributed renewable generation owner in certain areas outside of ERCOT.

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

SECTION 1. Section 39.554, Utilities Code, is amended by amending Subsection (f) and adding Subsection (i) to read as follows:

(f) Unless the commission approves an alternative method for compensating a distributed renewable generation owner for electricity generated by distributed renewable generation or a qualifying facility, for ~~For~~ a distributed renewable generation owner that chooses interconnection through a single meter under Subsection (e):

(1) the amount of electricity the owner generates through distributed renewable generation or a qualifying facility for a given billing period offsets the owner's consumption for that billing period; and

(2) any electricity the owner generates through distributed renewable generation or a qualifying facility that exceeds the owner's consumption for a given billing period shall be credited to the owner under Subsection (g).

(i) Before approving an alternative method for compensating a distributed renewable generation owner for electricity generated by distributed renewable generation or a qualifying facility, the

1 commission shall require the electric utility to conduct and submit
2 to the commission a comprehensive cost-benefit analysis using
3 established best practices to justify the rates of compensation and
4 any associated fees. The commission must consider the
5 comprehensive cost-benefit analysis before approving alternative
6 rates for compensating distributed renewable generation owners or
7 the continuation of net metering, including any rates or fees that
8 apply only to distributed renewable generation owners and reflect
9 the value provided by the distributed renewable generation or
10 qualifying facility.

11 SECTION 2. This Act takes effect September 1, 2026.