

## Distributed Renewable Generation and Solar Incentives

**HB 278 by Rep. Anchia**  
**HB 3405 by Rep. Swinford**

**HB 3045 by Rep. Farias**  
**HB 3706 by Rep. Coleman**

### Proposals

---

- HB 278 would set a goal of 1,000 MW of installed distributed renewable generation (DRG) capacity by Jan. 1, 2015, and 2,000 MW by Jan. 1, 2020. Electric utilities would be required to administer incentive programs to use DRG as a supplemental energy source. The bill allows the Public Utility Commission of Texas (PUC) to set a DRG cost recovery factor for utilities. It also requires retail electric providers (REPs) to offer an education program.
- HB 3045 would create the “Solar Energy Visualization Platform,” a virtual mapping program that would allow Texans to learn their home or business’s potential for solar panel installation, generation, energy savings and resulting carbon dioxide emissions reductions.
- HB 3405 would establish a solar generation incentive program, which creates a goal of installing at least 3,000 MW of solar generation capacity by 2020, 1,000 MW of which must be distributed renewable generation. The PUC would administer the program. Electric utility program costs would be recovered through a nonbypassable fee of not less than \$0.000636/kWh. The incentive provided would be not less than \$2.40/W for residential installation; \$1.50/W for commercial installation; and \$1.10 for industrial installation.
- HB 3706 would establish the TexSun Solar Electric Rebate Program. In the bill as filed, the cost of the program would be capped at 35¢/MWh for the first two years of the program; 45¢/MWh for year three; 55¢/MWh for year four; and 65¢/MWh for year five. Transmission level customers would not be charged for the program. The incentive for the program would be \$4.50/W for residential customers; \$4.00/W for non-residential customers installing a system of less than 200 kW; and \$3.50/W for non-residential customers installing a system of greater than 200 kW.

### AECT Position

---

- AECT member companies support the implementation of alternative energy technologies as they become economically viable and in demand by customers. Allowing market participants the flexibility to meet customer demand is the best process for supporting new technologies.
- Customers who seek to use these technologies should be allowed the opportunity to weigh the benefits versus the costs and choose accordingly, but those customers should not be able to shift costs to other customers.
- Alternative energy resource development must be closely coordinated with the utilities whose job it is to provide electric service to customers. This is particularly important with new technologies designed to interconnect with the current electric system.
- Mandates of experimental or developing technologies can add costs to the market, which are ultimately borne by customers.
- AECT remains committed to a long-term transition to future energy solutions, but our state must do so in a manner that is rational, measured and does not impose an unreasonable financial burden on customers or market participants.