

Support Elimination of the Mandate for Natural Gas-Fired Generation

HB 3125 by Rep. Sylvester Turner

AECT Position: Support

Proposal

- HB 3125 would repeal Section 39.9044 of the utilities code, which mandates that 50 percent of new electricity generation installed after January 1, 2000 be natural-gas-fired.
- The bill repeals additional sections related to promotion of natural gas-fired generation.

AECT Position

- In response to high natural gas prices, it may be more economical to consumers and in the public's interest for electric generation companies to construct new electric generating units that are not fueled by natural gas, like renewable, nuclear, and coal generation.
- AECT believes the competitive wholesale market will bring forward the right mix of technology and fuel type based on environmental choices by policymakers. By repealing Section 39.9044, generation companies in Texas will no longer be required to meet the 50 percent mandate, thus supporting a more open, competitive generation market.