

# Changes to Texas' Renewable Portfolio Standard

**HB 4327 by Rep. Strama**

**AECT Position: Neutral**

## Proposals

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- HB 4327 would set a goal of 3,000 MW of installed “tier 2” (non-wind) renewable energy technology by Jan. 1, 2020; up to 1,000 MW of renewable energy storage may qualify to meet that goal.
- The bill creates a separate renewable energy credit (REC) market for “tier 2” renewable technologies.
- HB 4327 would require the PUC to adopt rules necessary to provide a “Made in Texas” incentive for all RECs.

## AECT Position

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- 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.