

Support Balanced Distributed Generation Programs and Requirements

CSSB 545 by Sen. Fraser

AECT Position: Support

Proposal

- CSSB 545 would require the Public Utility Commission of Texas (PUC) to develop incentive programs for residential and commercial customers to increase distributed solar generation, utility scale solar generation and energy storage. The program would be administered by electric utilities under the PUC's oversight.
- CSSB 545 allows for a cost recovery factor, with a cap for recovery of 20¢/month for residential customers, \$2/month for commercial customers and \$20/month for industrial customers, with fees expiring after five years of the program.
- Retail electric providers (REPs) would be required to offer real-time energy pricing options to customers in the Electric Reliability Council of Texas (ERCOT) region.
- CSSB 545 includes provisions for net metering policies and retail rate options for customers served by electric utilities outside ERCOT.
- The PUC would develop a "Made in Texas" certification program for energy products that include distributed solar generation.
- The bill authorizes the PUC to direct not more than 70 percent of the funds collected to utility scale solar generation and energy storage projects.

AECT Position

- AECT supports the distributed generation, solar and energy storage incentives in CSSB 545 as rational, measured programs because they do not impose an unreasonable financial burden on customers or market participants.
- Because end-use customers pay for this program through retail electric prices, AECT supports provisions in CSSB 545 to limit the impact of this program on customers' electric bills.
- AECT member companies support the implementation of alternative energy technologies on a voluntary basis as they become economically viable and in demand by customers.
- AECT recognizes the importance of emerging technologies for meeting electric demand and believes the market will provide guidance in determining which technologies should be adopted.