

By: Huberty

H.B. No. 2049

A BILL TO BE ENTITLED

AN ACT

relating to a qualifying cogeneration facility's ability to sell electric energy to multiple purchasers.

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

SECTION 1. Section 37.001(3), Utilities Code, is amended to read as follows:

(3) "Retail electric utility" means a person, political subdivision, electric cooperative, or agency that operates, maintains, or controls in this state a facility to provide retail electric utility service. The term does not include a corporation described by Section 32.053 to the extent that the corporation sells electricity exclusively at wholesale and not to the ultimate consumer. A qualifying facility [~~cogenerator~~] that sells electric energy at retail to any [~~the sole~~] purchaser of the facility's [~~cogenerator's~~] thermal output under Section [~~Sections~~] 35.061 or [and] 36.007, or a supplier of fuel or waste heat derived from the supplier's manufacturing process that supplies the fuel or waste heat to the qualifying facility, is not for that reason considered to be a retail electric utility. The owner or operator of a qualifying cogeneration facility who was issued the necessary environmental permits from the Texas Natural Resource Conservation Commission after January 1, 1998, and who commenced construction of such qualifying facility before July 1, 1998, may provide electricity to the purchasers of the thermal output of that

1 qualifying facility and shall not for that reason be considered an
2 electric utility or a retail electric utility, provided that the
3 purchasers of the thermal output are owners of manufacturing or
4 process operation facilities that are located on a site entirely
5 owned before September, 1987, by one owner who retained ownership
6 after September, 1987, of some portion of the facilities and that
7 those facilities now share some integrated operations, such as the
8 provision of services and raw materials.

9 SECTION 2. This Act takes effect September 1, 2013.