



# **The Texas Renewable Energy Program**

## **State Energy Efficiency/Renewable Energy Forum**



1-866-PWR-4-TEX  
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# Overview of Renewable Energy Program



- Comprehensive retail competition legislation enacted in 1999
- Fixed goal for renewable energy
- Market-based mechanism to support efficient deployment
- Transmission policies support renewable energy
- Results: emission reductions and economic development



# Legislative Issues Supporting Clean Air

- Renewable resources
- Energy efficiency
- Retrofit older power plants



# Renewable Energy



- Additional 2,000 MW of generating capacity from renewable energy technologies by 2009
- Renewable energy credit (REC) trading program
- Definition of qualifying resources
  - Solar, wind, hydro, geothermal, wave, tidal, biomass, landfill gas



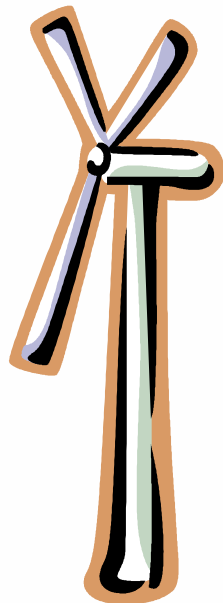
# Renewable Energy Credits



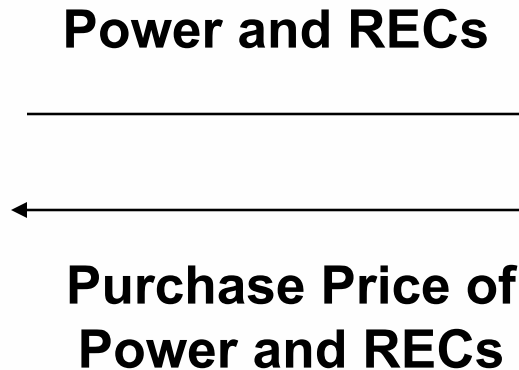
Generation

Retailer

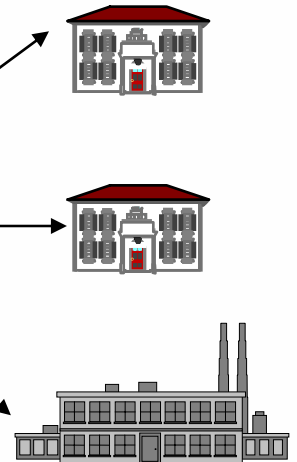
End User



Earn RECs  
for Production



Required to  
Retire RECs



# Transmission Policies

- Regional postage-stamp rate
  - Distance not a factor in rate
  - Multiple utilities do not charge multiple rates
- Standard interconnection agreement
- Transmission upgrades rolled into regional rates
- Neutral planning organization



# Results



- 1190 Mw of new capacity
  - Wind 1140
  - Landfill gas 30
  - Hydro 10
- 300 Mw of existing capacity
- 3 million Mwh of electric energy generated in 2003
- RECs retired in 2003 :
  - 1.3 million for compliance
  - 800,000 voluntary (e.g., renewable energy sales)



# Economic Impact of Renewables

- Tax revenue for rural school districts
- 14% increase in tax base for remote counties
- Construction jobs
- Jobs in service, manufacturing, transportation
- Royalties to landowners



# For More Information

- REC administrator--ERCOT
  - [www.texasrenewables.com](http://www.texasrenewables.com)
- PUC
  - Statute—PURA 2003 §39.904
    - [www.puc.state.tx.us/rules/statutes/index.cfm](http://www.puc.state.tx.us/rules/statutes/index.cfm)
  - Regulations—Subst. Rule 25.173
    - [www.puc.state.tx.us/rules/index.cfm](http://www.puc.state.tx.us/rules/index.cfm)

