



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



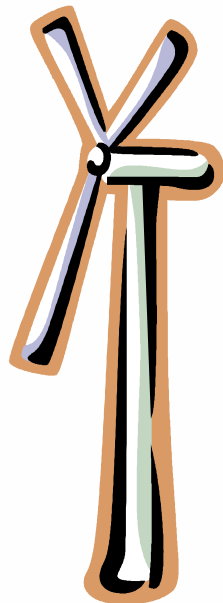
Renewable Energy Credits



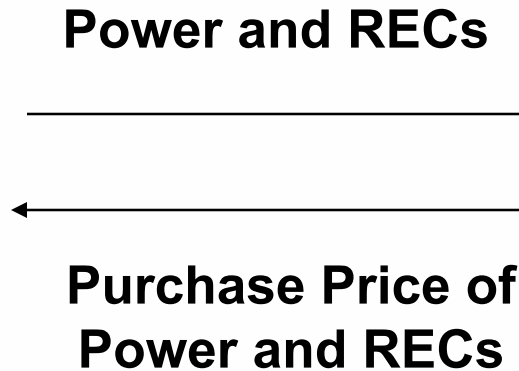
Generation

Retailer

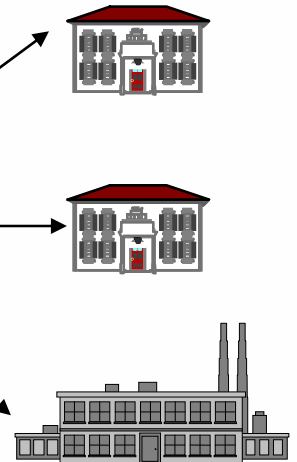
End User



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
- PUC
 - Statute—PURA 2003 §39.904
 - www.puc.state.tx.us/rules/statutes/index.cfm
 - Regulations—Subst. Rule 25.173
 - www.puc.state.tx.us/rules/index.cfm

