

Advanced energy is not just a contributor to our energy future; it is an economic engine as well. As of 2019, there were 254,300 advanced energy jobs in Texas and growing twice as fast as employment in the state overall. Advanced energy will be critical to the state's economic recovery, as it continues Texas energy leadership, diversification, and innovation.

Texas Advanced Energy Business Alliance (TAEBA) is focused on growing the energy sector with innovative, advanced energy technologies that make the Texas electricity system more secure, clean, reliable, and affordable. Among these technologies are energy efficiency, demand response, energy storage, solar and wind generation, electric vehicles, and smart grid.

Texas is the national leader in energy. Thoughtful public policies that reflect a continued commitment to fostering customer choice, promote markets over regulation, and remove barriers to competition will give Texas the opportunity to build upon this leadership—to the benefit of Texas residents, businesses, and the state's economy. The policies outlined below address ways to support and grow advanced energy in Texas.

If Your Priority is...

Accelerating Economic Recovery

- Expand electric vehicle (EV) infrastructure development, with emphasis on public charging, medium to heavy-duty fleets, and port electrification. Texas should ensure continued funding to promote electrification of transportation with an emphasis on developing infrastructure to support public charging, medium to heavy-duty fleets (including school buses and delivery trucks), and port electrification.
- Support investment in large-scale solar and wind generation, energy storage, and clean energy manufacturing through a continued commitment to Texas economic development. Existing tax incentives to bring new facilities to Texas are an important economic tool and should be continued.
- Expand market access to distributed generation like solar. Municipalities, homeowners' associations, and utilities should be prohibited from imposing onerous requirements or discriminatory fees on Texans who want to put solar panels on their rooftops.

Building a More Resilient Texas

- Promote deployment of battery storage and microgrids to provide for a more flexible electricity system. These technologies enhance reliability, provide back-up power, and reduce the need for costly grid upgrades.
- Leverage federal funding opportunities and promote public/private partnerships to modernize critical infrastructure for resilience and reliability. Texas can prepare in advance for the next pandemic, hurricane, flood, or other natural disaster by taking steps

now to modernize facilities such as hospitals, municipal buildings, ports, airports, public buildings, schools, and institutions of higher education.

Fostering Market Competition

- Increase market transparency to facilitate competition. Markets thrive when there is
 adequate information for customers to make purchasing decisions and for market
 participants to make investment decisions. Utilities should be required to provide
 information on distribution system capacity to facilitate development of EV charging and
 investment in distributed energy resources (DERs).
- Clarify that inappropriate and unnecessary regulations do not apply to EV charging companies. EV charging providers (or host sites such as retail stores that provide charging to their customers) should not have to become utilities or retail electric providers to deliver charging services.
- Expand access to wholesale markets to save \$3 billion over next decade. Current market rules are overly complex and prevent aggregations of DERs from being offered into ERCOT wholesale markets, a loss in potential value of \$3 billion over 10 years.
- **Ensure fair taxation.** EV owners should pay their fair share to support Texas roads, but no more than their fair share. A formula-based approach would address this problem while avoiding the need to revisit the issue each biennium.

Lowering Electricity Bills

- Promote non-wires solutions that could save Texas households and businesses \$2.45 billion over the next decade. Using competitive distributed energy resources (DERs) such as energy storage, demand response, or solar panels in place of certain traditional "poles and wires" investments could lower distribution infrastructure costs borne by customers by as much as \$2.45 billion over 10 years. Regulation needs to be modernized to capture these savings.
- Increase energy efficiency goals and modernize rules to deploy the best available technologies. Texas consumers and businesses rely on affordable power, and the cheapest kilowatt-hour is the one not used. Texas should expand its commitment to efficiency and ensure that the latest technologies are deployed so that Texans can save money on their electric bills, while we all save by having a more efficient grid.
- Capture savings for public and higher education facilities through increased commitments to building efficiency and DERs such as solar and storage. Performance contracting and new business models such as Energy-as-a-Service create opportunities for state and municipal government savings.

...Advanced Energy is Your Answer!