

BUSINESS AND COMMERCE CODE

TITLE 5. REGULATION OF BUSINESSES AND SERVICES

SUBTITLE C. BUSINESS OPERATIONS

Chapter 113, consisting of Secs. 113.001 to 113.005, was added by Acts 2021, 87th Leg., R.S., Ch. 561 (S.B. 398), Sec. 1.

For another Chapter 113, consisting of Secs. 113.0001 to 113.0105, added by Acts 2021, 87th Leg., R.S., Ch. 445 (H.B. 113), Sec. 1, see Sec. 113.0001 et seq., post.

For another Chapter 113, consisting of Secs. 113.001 to 113.003, added by Acts 2021, 87th Leg., R.S., Ch. 975 (S.B. 2116), Sec. 2, see Sec. 113.001 et seq., post.

CHAPTER 113. SALES AND LEASING OF DISTRIBUTED RENEWABLE GENERATION RESOURCES

Sec. 113.001. DEFINITIONS. In this chapter:

(1) "Distributed renewable generation" has the meaning assigned by Section 39.916, Utilities Code.

(2) "Small commercial customer" has the meaning assigned by Section 39.202(o), Utilities Code.

Added by Acts 2021, 87th Leg., R.S., Ch. 561 (S.B. 398), Sec. 1, eff. September 1, 2021.

Sec. 113.002. APPLICABILITY. (a) This chapter applies to a seller or lessor of distributed renewable generation resources.

(b) This chapter does not apply to:

(1) a transaction involving the sale or transfer of the real property on which a distributed renewable generation resource is located;

(2) a person, including a person acting through the person's officers, employees, brokers, or agents, who markets, sells, solicits, negotiates, or enters into an agreement for the sale or financing of a distributed renewable generation resource as part of a transaction involving the sale or transfer of the real property on which the distributed renewable generation resource is or will be affixed; or

(3) a third party that enters into an agreement for the financing of a distributed renewable generation resource.

Added by Acts 2021, 87th Leg., R.S., Ch. 561 (S.B. 398), Sec. 1, eff. September 1, 2021.

Sec. 113.003. LEASE, SALES, AND INSTALLATION DISCLOSURES. A seller or lessor who enters into a purchase, lease, or power purchase agreement with a residential or small commercial customer for the operation of a distributed renewable generation resource shall provide to the customer in writing:

- (1) contact information of the salesperson and installer of the generation resource;
- (2) a description of all equipment to be installed;
- (3) the cost of all equipment to be installed;
- (4) a detailed accounting of fees associated with the installation or operation of the generation resource;
- (5) representations, if any, made as part of the agreement regarding the expected operational performance and financial performance of the generation resource; and
- (6) all applicable warranties.

Added by Acts 2021, 87th Leg., R.S., Ch. 561 (S.B. 398), Sec. 1, eff. September 1, 2021.

Sec. 113.004. ADDITIONAL DISCLOSURES FOR LEASE AGREEMENTS. In addition to the disclosures required under Section 113.003, a lessor shall provide to a leasing residential or small commercial customer in writing:

- (1) the term and rate of the lease, including any payment escalators or other terms that affect the customer's payments; and
- (2) a statement of whether the lease and any applicable warranty or maintenance agreement is transferable to a subsequent purchaser of the property where the distributed renewable generation resource is installed.

Added by Acts 2021, 87th Leg., R.S., Ch. 561 (S.B. 398), Sec. 1, eff. September 1, 2021.

Sec. 113.005. DISCLOSURES FOR POWER PURCHASE AGREEMENTS. A residential or small commercial customer who enters into a power

purchase agreement is entitled to receive in writing:

(1) the disclosures required under Sections [113.003](#)(1), (2), (5), and (6);

(2) the term and rate of the power purchase agreement, including any payment escalators or other terms that affect the customer's payments; and

(3) whether the power purchase agreement and any applicable warranty or maintenance agreement is transferable to a subsequent purchaser of the property where the distributed renewable generation resource is installed.

Added by Acts 2021, 87th Leg., R.S., Ch. 561 (S.B. [398](#)), Sec. 1, eff. September 1, 2021.