

# Energy Solutions to Meet Growth in Texas



**990,052 energy workers statewide**

Over 7% of state employment



**\$191B in capital expenditure invested**

in energy and manufacturing projects since Q2 2022



**Natural gas + renewables = 82%**

of Texas' power generation



**\$715.3M in rural revenue**

from clean power projects

The United States is already experiencing sharp increases in energy demand coupled with concerns about rising energy costs. A recent report by S&P Global Commodity Insights predicts that [U.S. electricity demand will surge by 35-50%](#) over the next few decades, driven by AI, data centers, and the onshoring of U.S. manufacturing.<sup>1</sup>

A broad portfolio of energy solutions are ready to meet this demand growth and provide economic benefits for communities across the country. In 2024, the United States deployed [\\$338 billion in financing](#) for energy technologies, including renewable energy, EVs, and power grid investment, up from \$303 billion in 2023, a 0.8% increase year on year. Nevertheless, China continued to lead the global market, with \$818 billion of investment in 2024, a 20% increase year on year.<sup>2</sup>

We need more energy now from a broad portfolio of all-of-the-above energy solutions. **This fact sheet highlights energy projects** driving economic growth in Texas – and policy solutions to meet growing energy demand.

## Energy Policy Solutions in Texas

The [Business Council for Sustainable Energy \(BCSE\)](#) and the [Clean Energy Business Network \(CEBN\)](#) are working with Congressional and state offices to enact policy solutions that will lower energy costs and ensure competitive Texas leadership, including:

- Expanding and **modernizing the electric grid and energy infrastructure**, to support integration of new and flexible energy resources.
- Reforming and expanding capacity for **permitting and siting processes** at all levels to enable the build-out of efficient energy infrastructure and buildings.
- Funding **research, development, demonstration, and deployment (RDD&D)** of energy and carbon management technologies, to support Texas' innovation in these expanding markets.
- Employing market-based tools, like **tax policy**, that create signals to invest and that leverage private sector dollars.

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# Texas' Expansive Energy Industry

**ENERGY PRICES:** From May 2024 to May 2025, [average residential energy prices](#) in Texas increased by 4.4%.<sup>3</sup> As of June 2025, average residential electrical rates in Texas are [15.23 cents per kWh](#), which are the 20th lowest in the country.<sup>4</sup>

**UTILITY EFFICIENCY SPENDING:** In 2023, Texas utilities invested \$136 million in [electric efficiency](#).<sup>5</sup>

**ENERGY EFFICIENCY ADVANCEMENT:** The American Council for an Energy-Efficient Economy ranked Texas [number 36 in the nation](#) for policies and programs to advance energy efficiency in 2025.<sup>5</sup>

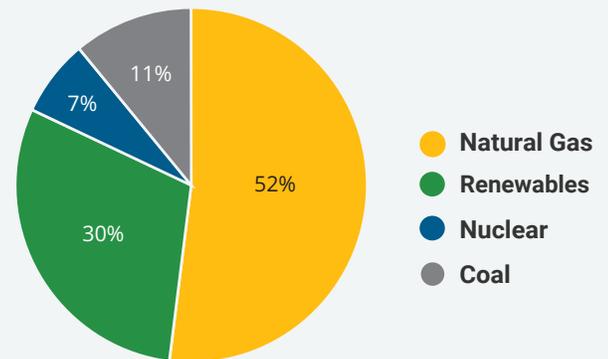
**INVESTMENT:** [\\$191 billion](#) in capital expenditure has been invested in 859 Texas energy and manufacturing projects since Q2 2022.<sup>6</sup>



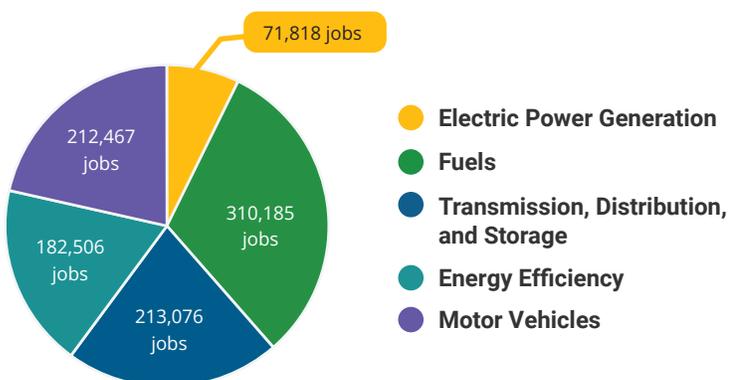
**RURAL BENEFIT:** Clean power projects provide extra income to farmers, ranchers, and other private landowners. Annually, these drought-proof land lease payments total [\\$715.3 million](#).<sup>7</sup>

**GENERATION MIX:** Natural gas and renewables provided [82% of Texas' power generation](#) in 2024, up from 57% a decade ago.<sup>2</sup>

- Texas is the [top crude oil- and natural gas-producing state](#) in the nation. It is also the largest energy-consuming state and the largest net supplier of energy to other states.<sup>8</sup>
- Renewable energy, including hydropower, provides [30% of Texas' electricity generation](#). Solar, wind, biomass, waste-to-energy, geothermal, and hydropower have cumulatively installed more than 65,866 MW of power generation to date.<sup>2</sup>



**JOBS:** Texas had [990,052 energy workers](#) statewide in 2024, representing 11.7% of all U.S. energy jobs. From 2023 to 2024, energy jobs in the state increased by 20,251 jobs, or 2.1%. The energy sector in Texas represents 7.1% of total state employment.<sup>9</sup>



# Energy at Work in Texas



## **ENCHANTED ROCK:** [Water Purification Plant Microgrid](#) in Houston

- 30 MW microgrid providing backup power for 100% of the water purification plant's finished water production capacity during outages
- Powered by natural gas, allowing the system to run indefinitely despite above ground conditions
- Provides greater operational reliability during grid outage periods in a storm-prone region



## **AUSTIN ENERGY:** [Commercial Demand Response Program](#) in Austin

- 195 City of Austin buildings participate in this program, which enables electricity customers to reduce their power consumption during periods of high demand or when the grid is under stress
- Those buildings alone boast an estimated demand response potential of more than 6 MW
- By temporarily reducing electric usage at peak times, the program helps maintain grid reliability



## **NRG ENERGY:** [Virtual Power Plant \(VPP\)](#) in Texas

- Unlike a traditional power plant comprised of a centralized facility generating electricity, a VPP is a network of smaller energy sources, including smart thermostats, spread across homes and businesses
- NRG is distributing hundreds of thousands of smart thermostats to customer homes by 2035. Together, these will create a 1 GW VPP, delivering capacity equivalent to 200,000 homes during peak demand
- This program uses smart thermostats, AI, and energy intelligence to optimize HVAC use and will eventually enable the integration of residential batteries and electric vehicles

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*The Business Council for Sustainable Energy (BCSE) is a coalition of companies and trade associations that deploy clean energy and decarbonization solutions, with a sector focus on energy efficiency, natural gas, and renewable energy. Members include investor-owned utilities, public power, independent power producers, project developers, technology providers, equipment manufacturers, environmental and energy market service companies, and more.*

*BCSE collaborates frequently with its small business division, the Clean Energy Business Network (CEBN), which encompasses a network of more than 8,000 cleantech business and community leaders across all 50 states. Collectively, BCSE and CEBN mobilize the full breadth of the clean energy economy, from innovators and small businesses to industry leaders and the trade associations that represent them.*

# Citations

- 1** 2025 US National Power Demand Study. Conducted by S&P Global Commodity Insights and commissioned by the American Clean Power Association.
- 2** 2025 Sustainable Energy in America Factbook. Conducted by BloombergNEF and commissioned by the Business Council for Sustainable Energy.
- 3** U.S. Energy Information Administration Electricity Data Browser.
- 4** Electricity Rates by State. Conducted by Choose Energy (2025).
- 5** 2025 State Energy Efficiency Scorecard. Conducted by the American Council for an Energy-Efficiency Economy.
- 6** Clean Investment Monitor. Conducted by MIT and Rhodium Group.
- 7** Clean Power State by State. Conducted by the American Clean Power Association.
- 8** U.S. Energy Information Administration. Texas State Profile and Energy Estimates.
- 9** United States Energy & Employment Report 2025. Conducted by the U.S. Department of Energy.

