

By: Carona
(Anchia)

S.B. No. 943

Substitute the following for S.B. No. 943:

By: Menendez

C.S.S.B. No. 943

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the classification, use, and regulation of electric
3 energy storage equipment or facilities.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 31.002(10), Utilities Code, is amended
6 to read as follows:

7 (10) "Power generation company" means a person that:

8 (A) generates electricity that is intended to be
9 sold at wholesale, including the owner or operator of electric
10 energy storage equipment or facilities to which Subchapter E,
11 Chapter 35, applies;

12 (B) does not own a transmission or distribution
13 facility in this state other than an essential interconnecting
14 facility, a facility not dedicated to public use, or a facility
15 otherwise excluded from the definition of "electric utility" under
16 this section; and

17 (C) does not have a certificated service area,
18 although its affiliated electric utility or transmission and
19 distribution utility may have a certificated service area.

20 SECTION 2. Chapter 35, Utilities Code, is amended by adding
21 Subchapter E to read as follows:

SUBCHAPTER E. ELECTRIC ENERGY STORAGE

23 Sec. 35.151. ELECTRIC ENERGY STORAGE. This subchapter
24 applies to electric energy storage equipment or facilities that are

1 intended to provide energy or ancillary services at wholesale,
2 including electric energy storage equipment or facilities listed on
3 a power generation company's registration with the commission or,
4 for an exempt wholesale generator, on the generator's registration
5 with the Federal Energy Regulatory Commission.

6 Sec. 35.152. GENERATION ASSETS. (a) Electric energy
7 storage equipment or facilities that are intended to be used to sell
8 energy or ancillary services at wholesale are generation assets.

9 (b) The owner or operator of electric energy storage
10 equipment or facilities that are generation assets under Subsection
11 (a) is a power generation company and is required to register under
12 Section 39.351(a). The owner or operator of the equipment or
13 facilities is entitled to:

14 (1) interconnect the equipment or facilities;
15 (2) obtain transmission service for the equipment or
16 facilities; and

17 (3) use the equipment or facilities to sell
18 electricity or ancillary services at wholesale in a manner
19 consistent with the provisions of this title and commission rules
20 applicable to a power generation company or an exempt wholesale
21 generator.

22 (c) Notwithstanding Subsection (a), this section does not
23 affect a determination made by the commission in a final order
24 issued before December 31, 2010.

25 SECTION 3. Section 31.002(10), Utilities Code, as amended
26 by this Act, and Subchapter E, Chapter 35, Utilities Code, as added
27 by this Act, may not be construed to determine the regulatory

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1 treatment of electricity acquired to charge electric energy storage
2 equipment or facilities and used solely for the purpose of later
3 sale as energy or ancillary services.

4 SECTION 4. (a) The Public Utility Commission of Texas
5 shall adopt or revise rules as necessary to implement this Act not
6 later than January 1, 2012.

7 (b) The Public Utility Commission of Texas shall ensure that
8 the Electric Reliability Council of Texas adopts or revises the
9 council's protocols, standards, and procedures to implement this
10 Act not later than April 1, 2012.

11 SECTION 5. This Act takes effect September 1, 2011.