

1-1 By: Carona S.B. No. 943
1-2 (In the Senate - Filed February 24, 2011; March 17, 2011,
1-3 read first time and referred to Committee on Business and Commerce;
1-4 April 11, 2011, reported adversely, with favorable Committee
1-5 Substitute by the following vote: Yeas 7, Nays 0; April 11, 2011,
1-6 sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 943 By: Carona

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to the classification, use, and regulation of electric
1-11 energy storage equipment or facilities.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Subdivision (10), Section 31.002, Utilities
1-14 Code, is amended to read as follows:

1-15 (10) "Power generation company" means a person that:

1-16 (A) generates electricity that is intended to be
1-17 sold at wholesale, including the owner or operator of electric
1-18 energy storage equipment or facilities to which Subchapter E,
1-19 Chapter 35, applies;

1-20 (B) does not own a transmission or distribution
1-21 facility in this state other than an essential interconnecting
1-22 facility, a facility not dedicated to public use, or a facility
1-23 otherwise excluded from the definition of "electric utility" under
1-24 this section; and

1-25 (C) does not have a certificated service area,
1-26 although its affiliated electric utility or transmission and
1-27 distribution utility may have a certificated service area.

1-28 SECTION 2. Chapter 35, Utilities Code, is amended by adding
1-29 Subchapter E to read as follows:

1-30 SUBCHAPTER E. ELECTRIC ENERGY STORAGE

1-31 Sec. 35.151. ELECTRIC ENERGY STORAGE. This subchapter
1-32 applies to electric energy storage equipment or facilities that are
1-33 intended to provide energy or ancillary services at wholesale,
1-34 including electric energy storage equipment or facilities listed on
1-35 a power generation company's registration with the commission or,
1-36 for an exempt wholesale generator, on the generator's registration
1-37 with the Federal Energy Regulatory Commission.

1-38 Sec. 35.152. GENERATION ASSETS. (a) Electric energy
1-39 storage equipment or facilities that are intended to be used to sell
1-40 energy or ancillary services at wholesale are generation assets.

1-41 (b) The owner or operator of electric energy storage
1-42 equipment or facilities that are generation assets under Subsection
1-43 (a) is a power generation company and is required to register under
1-44 Section 39.351(a). The owner or operator of the equipment or
1-45 facilities is entitled to:

1-46 (1) interconnect the equipment or facilities;

1-47 (2) obtain transmission service for the equipment or
1-48 facilities; and

1-49 (3) use the equipment or facilities to sell
1-50 electricity or ancillary services at wholesale in a manner
1-51 consistent with the provisions of this title and commission rules
1-52 applicable to a power generation company or an exempt wholesale
1-53 generator.

1-54 (c) Notwithstanding Subsection (a), this section does not
1-55 affect a determination made by the commission in a final order
1-56 issued before December 31, 2010.

1-57 SECTION 3. (a) The Public Utility Commission of Texas
1-58 shall adopt or revise rules as necessary to implement this Act not
1-59 later than January 1, 2012.

1-60 (b) The Public Utility Commission of Texas shall ensure that
1-61 the Electric Reliability Council of Texas adopts or revises the
1-62 council's protocols, standards, and procedures to implement this
1-63 Act not later than April 1, 2012.

2-1 SECTION 4. This Act takes effect September 1, 2011. C.S.S.B. No. 943
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