

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

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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.

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SECTION 4. This Act takes effect September 1, 2011.

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