

Amend CSHB 1777 by adding a new section, numbered appropriately, to read as follows:

SECTION __. (a) The Public Utility Commission of Texas, as a part of the commission's continuing analysis of reserve margins and capacity needs for the ERCOT system, shall consider creating and may establish a new alternative market mechanism to allow a potential interruptible industrial load that is greater than one megawatt and that will not be participating in the ERCOT market to be treated as a "load acting as a resource" and to allow compensation for that treatment.

(b) The legislature finds that Texas businesses that are able to participate in an alternative interruptible service compete in interstate and global markets and that the opportunity for the businesses to be compensated for their interruptible loads is essential to the businesses' ability to remain competitive and to provide significant benefits to the economy of this state. The Public Utility Commission of Texas shall consider these economic benefits in analyzing the potential of interruptible service. Not later than January 1, 2006, the Public Utility Commission of Texas shall report any actions taken regarding interruptible service and the results of its analysis of interruptible service to the governor, lieutenant governor, the speaker of the house of representatives, and the presiding officers of each legislative committee with jurisdiction over electric services.