

Amend CSHB 1777 by adding a new SECTION 13 and renumbering subsequent sections accordingly:

SECTION 13. Subchapter D, Chapter 39, Utilities Code, is amended by adding Section 39.159 to read as follows:

Sec. 39.159. WHOLESale ELECTRIC MARKET DESIGN. Prior to directing the implementation of a wholesale electric market that utilizes locational marginal pricing, the commission shall direct the Electric Reliability Council of Texas to implement improvements to the zonal wholesale electric market. The commission shall evaluate the effectiveness of those improvements and report those results and any recommendations to the legislature by January 9, 2007.