

Amend Amendment No. 1 by King by adding the following appropriately numbered item to read as follows:

(___) Insert the following appropriately numbered SECTION to read as follows and renumber subsequent SECTIONS accordingly:

SECTION ___. (a) The Public Utility Commission of Texas, as 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 is not participating in the ERCOT market as a load acting as a resource to provide the benefits of interruptible load to the system and to be compensated for that service.

(b) The legislature finds that businesses in this state 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.

(c) 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, the lieutenant governor, the speaker of the house of representatives, and the presiding officer of each legislative committee with jurisdiction over electric services.