

Amend CSHB 1607 (house committee printing) as follows:

On page 8, line 11, renumber Section 6 as Section 7 and insert the following:

SECTION 6. Section 35.004, Utilities Code, is amended by amending Subsection (d) and adding Subsection (d-1) to read as follows:

(d) The commission shall price wholesale transmission services within ERCOT based on the postage stamp method of pricing under which a transmission-owning utility's rate is based on the ERCOT utilities' combined annual costs of transmission, other than costs that exceed the allowance described in Subsection (d-1), divided by the total demand placed on the combined transmission systems of all such transmission-owning utilities within a power region.

(d-1) The commission by rule shall establish a reasonable allowance for capital costs incurred to interconnect generation resources and electric energy storage resources described by Section 35.152(a) with the ERCOT transmission system, which must include the costs of the direct interconnection of the generator to the system and upgrades directly caused by the interconnection. Any costs that exceed the allowance must be borne directly by the generation resource or electric energy storage resource receiving interconnection service through the facilities.

Renumber Sections 7, 8, and 9 as Sections 8, 9, and 10.