

Amend CSSB 3 (house committee report) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Subchapter D, Chapter 39, Utilities Code, is amended by adding Section 39.160 to read as follows:

Sec. 39.160. MARKET DISTORTION RESPONSE. (a) The commission and the ERCOT independent system operator shall adopt rules, operating procedures, and protocols to eliminate or compensate for any distortion in electricity pricing in the ERCOT power region caused by a federal tax credit provided under 26 U.S.C. Section 45.

(b) Rules, operating procedures, and protocols adopted under this section must ensure that costs imposed on the system by the sale of electricity that is eligible for a federal tax credit provided under 26 U.S.C. Section 45, including costs of maintaining sufficient capacity to serve load at the summer peak demand caused by the loss of new investment from below-market prices, are paid by the parties that impose the costs.