

Amend SB 1580 (house committee printing) as follows:

(1) On page 1, line 7, between "D." and "SECURITIZATION", insert "MARKET PARTICIPATION AND".

(2) On page 1, line 8, between "PURPOSE." and "The", insert "(a)".

(3) On page 2, between lines 4 and 5, insert the following:

(b) A cooperative that owes the independent organization certified under Section 39.151, Utilities Code, for the ERCOT power region amounts incurred as a result of operations during the period beginning 12:01 a.m., February 12, 2021, and ending at 11:59 p.m., February 20, 2021 shall:

(1) use all means necessary to securitize the amount owed the independent organization, calculated solely according to the protocols of the independent organization in effect during the period of emergency promulgated subject to the approval of the commission; and

(2) fully repay the amount described by Subdivision (1) immediately upon receipt of the securitized amount along with any additional amounts necessary to fully satisfy the amount owed.

(4) Add the following appropriately numbered SECTIONS to the bill and renumber subsequent SECTIONS of the bill accordingly:

SECTION _____. Section 39.002, Utilities Code, is amended to read as follows:

Sec. 39.002. APPLICABILITY. This chapter, other than Sections 39.1516, 39.155, 39.157(e), 39.159, 39.160, 39.203, 39.904, 39.9051, 39.9052, and 39.914(e), does not apply to a municipally owned utility or an electric cooperative. Sections 39.157(e), 39.203, and 39.904, however, apply only to a municipally owned utility or an electric cooperative that is offering customer choice. If there is a conflict between the specific provisions of this chapter and any other provisions of this title, except for Chapters 40 and 41, the provisions of this chapter control.

SECTION _____. Subchapter D, Chapter 39, Utilities Code, is amended by adding Sections 39.159 and 39.160 to read as follows:

Sec. 39.159. CHARGES FOR CERTAIN MARKET PARTICIPANTS. Notwithstanding any other law, no default or uplift charge or repayment may be allocated to or collected from a market

participant that:

(1) otherwise would be subject to an uplift charge solely as a result of acting as a central counterparty clearinghouse in wholesale market transactions in the ERCOT power region; and

(2) is regulated as a derivatives clearing organization, as defined by the Commodity Exchange Act (7 U.S.C. Section 1a).

Sec. 39.160. DEFAULT OF MARKET PARTICIPANT. (a) The commission shall require that all market participants pay or make provision for the full and prompt payment of amounts owed calculated solely according to the protocols in effect during the period of emergency to the independent organization certified under Section 39.151 for the ERCOT power region to qualify, or to continue to qualify, as a market participant in the ERCOT power region.

(b) If a market participant has failed to fully repay all amounts calculated solely under the protocols in effect during the period of emergency of the independent organization certified under Section 39.151 for the ERCOT power region, the independent organization shall report the market participant as in default to the commission. The commission may not allow the independent organization to accept the defaulting market participant's loads or generation for scheduling in the ERCOT power region, or allow the defaulting market participant to be a market participant in the ERCOT power region for any purpose, until all amounts owed to the independent organization by the market participant as calculated under the protocols are paid in full.

(c) The commission and the independent organization certified under Section 39.151 for the ERCOT power region shall pursue collection in full of amounts owed to the independent organization by the defaulting market participant.