Amend CSSB 1212 (senate committee report) as follows:

(1) In SECTION 1 of the bill, in amended Section 31.002, Utilities Code (page 1, line 31), between "<u>resource</u>" and the underlined period, insert ", where each individual resource in the aggregation produces not more than 1.5 megawatts of electricity, subject to an increase or decrease by commission rule if the commission determines that a different capacity size limit is appropriate and does not adversely affect the ERCOT power region or distribution system reliability".

(2) In SECTION 2 of the bill, in added Section 39.3515(a),Utilities Code:

(A) In added Subdivision 2 (page 2, lines 6 and 7), strike "is part of an aggregated distributed energy resource and".

(B) In added Subdivision 2 (page 2, line 8), between "(A)" and "is", insert "is part of an aggregated distributed energy resource that".

(3) In SECTION 2 of the bill, in added Section 39.3515(c),Utilities Code:

(A) Strike "<u>A</u>" (page 2, line 20), and substitute"Notwithstanding any other provision of this chapter, a".

(B) Strike "<u>is</u>" (page 2, line 20), and substitute "may".

(C) Strike "considered to" (page 2, line 21).

(D) Strike "<u>a distributed energy resource</u>" (page 2, line 21), and substitute "<u>aggregated</u>".

(E) Strike "<u>either</u>" (page 2, line 23).

(F) Strike added Subdivision (2) (page 2, lines 27 through 30), and substitute the following:

(2) the estimated annual amount of electricity to be produced by the facility is more than the retail electric customer's estimated annual electricity consumption at the time of the facility's installation or the actual amount of electricity produced by the facility was more than the retail electric customer's actual electricity consumption in the year prior to the facility's installation.

(4) In SECTION 3 of the bill, in added Section 39.701,Utilities Code (page 2, line 43), strike "<u>access to</u>".

1

(5) In SECTION 3 of the bill, in added Section 39.702(d), Utilities Code (page 3, line 65), strike "<u>, to meet</u>" and substitute "<u>or prevent a transmission and distribution utility from</u> <u>fulfilling</u>".

(6) In SECTION 4 of the bill, in added Section 39.9166(b), Utilities Code (page 4, lines 26 through 29), strike "<u>through</u> <u>generating electricity and providing that electricity onto a</u> <u>distribution system in an area in which customer choice has been</u> <u>introduced in the manner provided by this section</u>".

(7) In SECTION 4 of the bill, in added Section 39.9166, Utilities Code (page 4, lines 46 through 48), strike Subsection (e) and reletter the subsequent subsections accordingly.

(8) In SECTION 5 of the bill, in added Section 39.9166(b), Utilities Code (page 5, lines 14 through 17), strike "<u>through</u> <u>generating electricity and providing that electricity onto a</u> <u>distribution system in an area in which customer choice has been</u> <u>introduced in the manner provided by this section</u>".

(9) In SECTION 5 of the bill, in added Section 39.9166, Utilities Code (page 5, lines 34 through 36), strike Subsection (e) and reletter the subsequent subsections accordingly.

(10) Immediately after SECTION 5 of the bill (page 5, between lines 54 and 55), insert the following appropriately numbered SECTION and renumber the subsequent SECTIONS accordingly:

SECTION \_\_\_\_\_. For the purposes of Section 39.3515(c)(2), Utilities Code, as added by this Act, a facility described by Section 39.914 or 39.916, Utilities Code, may be registered as an aggregated distributed energy resource with the Public Utility Commission of Texas if:

(1) the estimated annual amount of electricity to be produced by the facility was more than the retail electric customer's estimated annual electricity consumption at the time of installation, if the facility was installed not more than a year before the effective date of this Act; or

(2) the actual amount of electricity produced by the facility was more than the retail electric customer's actual electricity consumption in the year prior to the facility's installation, if the facility was installed more than a year before

2

the effective date of this Act.