

Amend CSSB 2627 (house committee printing) as follows:

(1) On page 1, between lines 9 and 10, insert the following:

SUBCHAPTER A. TEXAS ENERGY FUND; GRANTS AND LOANS

(2) On page 1, line 10, strike "chapter" and substitute "subchapter".

(3) On page 13, between lines 11 and 12, insert the following:

SUBCHAPTER B. TEXAS POWER PROMISE: BACKUP POWER PACKAGES

Sec. 34.0201. DEFINITION. In this subchapter, "Texas backup power package" means a stand-alone, behind-the-meter, multiday backup power source that can be used for islanding.

Sec. 34.0202. PURPOSE. The purpose of this subchapter is to facilitate and provide funding for the design, procurement, installation, and use of Texas backup power packages to ensure the reliability or adequacy of an electric power grid in this state for facilities on which communities rely for health, safety, and well-being.

Sec. 34.0203. COMMISSION DUTIES. (a) The commission shall convene an advisory committee in the manner provided by Chapter 2110, Government Code.

(b) The advisory committee shall recommend criteria for the commission to employ in making a grant or loan under this subchapter.

(c) The commission shall contract with a research entity that has experience in microgrid design to analyze critical facility characteristics and requirements in this state and develop for Texas backup power packages:

(1) sets of specifications for standard backup power packages of various sizes that can serve most critical facilities in this state; and

(2) specifications for standard interconnection, communications, and controls for Texas backup power packages.

Sec. 34.0204. TEXAS BACKUP POWER PACKAGES. The commission may use money in the Texas energy fund without further appropriation to provide a grant or loan for the operation of a Texas backup power package that:

(1) is engineered to minimize operation costs;

(2) uses interconnection technology and controls that enable immediate islanding from the power grid and stand-alone operation for the host facility;

(3) is capable of operating for at least 48 continuous hours without refueling or connecting to a separate power ;

(4) is designed so that one or more Texas backup power packages can be aggregated on-site to serve not more than 2.5 megawatts of load at the host facility;

(5) provides power sourced from:

(A) a combination of natural gas or propane with photovoltaic panels and battery storage; or

(B) battery storage on an electric school bus;
and

(6) is not used by the owner or host facility for the sale of energy or ancillary services.

Sec. 34.0205. GRANTS AND LOANS. (a) The commission by rule may establish procedures for the application for and award of a grant or loan under this subchapter.

(b) The amount of a grant provided under this subchapter may not exceed \$500 per kilowatt of capacity.

(c) The commission may provide a loan under this subchapter for procurement and operating costs.

(d) The commission shall maintain and publish a list of approved vendors eligible to assist with the sale, installation, operation, and ongoing maintenance of Texas backup power packages.

(e) The commission may not provide a grant or loan under this subchapter for:

(1) a commercial energy system, a private school, or a for-profit entity that does not directly serve public safety and human health; or

(2) a source of backup power that does not follow the design and use standards of a Texas backup power package.

(4) On page 13, line 14, between "(d)" and "The" insert "This subsection applies only to a facility in the ERCOT power region for which a loan or grant is provided under Subchapter A, Chapter 34."

(5) Strike "under Chapter 34" in each of the following

places:

- (A) page 13, line 17;
- (B) page 13, line 22;
- (C) page 13, line 25;
- (D) page 13, line 27; and
- (E) page 14, line 8.

(6) On page 14, lines 11-12, strike "for which a loan or grant is provided under Chapter 34" and substitute "to which Subsection (d) applies".

(7) On page 14, line 23, between "authorized by" and Chapter 34", insert "Subchapter A,".

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

SECTION _____. Subchapter C, Chapter 382, Health and Safety Code, is amended by adding Section 382.069 to read as follows:

Sec. 382.069. TEXAS BACKUP POWER PACKAGE. (a) In this section, "Texas backup power package" has the meaning assigned by Section 34.0201, Utilities Code.

(b) The commission by rule shall adopt a process to expedite the permitting of a Texas backup power package for which a permit is required under this chapter and for which a loan or grant is awarded under Chapter 34, Utilities Code.

SECTION _____. Subchapter Z, Chapter 39, Utilities Code, is amended by adding Section 39.919 to read as follows:

Sec. 39.919. TEXAS BACKUP POWER PACKAGES. (a) In this section, "Texas backup power package" has the meaning assigned by Section 34.0201.

(b) The commission by rule shall adopt procedures to expedite electric cooperative, municipally owned utility, and electric utility interconnection requests for a Texas backup power package for which a loan or grant is awarded under Chapter 34.