

1-1 By: Johnson S.B. No. 1699  
 1-2 (In the Senate - Filed March 7, 2023; March 16, 2023, read  
 1-3 first time and referred to Committee on Business & Commerce;  
 1-4 April 5, 2023, reported adversely, with favorable Committee  
 1-5 Substitute by the following vote: Yeas 11, Nays 0; April 5, 2023,  
 1-6 sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			
1-18	X			
1-19	X			

1-20 COMMITTEE SUBSTITUTE FOR S.B. No. 1699 By: Johnson

1-21 A BILL TO BE ENTITLED  
 1-22 AN ACT

1-23 relating to the participation of aggregated distributed energy  
 1-24 resources in the ERCOT market.

1-25 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-26 SECTION 1. Section 31.002(17), Utilities Code, is amended  
 1-27 to read as follows:

1-28 (17) "Retail electric provider" means a person that  
 1-29 sells electric energy to retail customers in this state. A retail  
 1-30 electric provider may not own or operate generation assets but may  
 1-31 aggregate distributed energy resources under Section 39.3515. The  
 1-32 term does not include a person not otherwise a retail electric  
 1-33 provider who owns or operates equipment used solely to provide  
 1-34 electricity charging service for consumption by an alternatively  
 1-35 fueled vehicle, as defined by Section 502.004, Transportation Code.

1-36 SECTION 2. Section 39.351, Utilities Code, is amended by  
 1-37 amending Subsection (a) and adding Subsection (a-1) to read as  
 1-38 follows:

1-39 (a) A person may not generate electricity unless:

1-40 (1) the person is registered with the commission as a  
 1-41 power generation company in accordance with this section; or

1-42 (2) the electricity is generated as part of a  
 1-43 registered aggregate distributed energy resource under Section  
 1-44 39.3515.

1-45 (a-1) A person may register as a power generation company by  
 1-46 filing the following information with the commission:

1-47 (1) a description of the location of any facility used  
 1-48 to generate electricity;

1-49 (2) a description of the type of services provided;

1-50 (3) a copy of any information filed with the Federal  
 1-51 Energy Regulatory Commission in connection with registration with  
 1-52 that commission; and

1-53 (4) any other information required by commission rule,  
 1-54 provided that in requiring that information the commission shall  
 1-55 protect the competitive process in a manner that ensures the  
 1-56 confidentiality of competitively sensitive information.

1-57 SECTION 3. Subchapter H, Chapter 39, Utilities Code, is  
 1-58 amended by adding Section 39.3515 to read as follows:

1-59 Sec. 39.3515. AGGREGATE DISTRIBUTED ENERGY RESOURCES. (a)  
 1-60 A person who aggregates distributed energy resources:

2-1                   (1) is not required to register as a power generation  
2-2 company to aggregate the resources;  
2-3                   (2) shall comply with rules, guidelines, and  
2-4 registration requirements established by the commission and by  
2-5 Chapter 17 and this chapter; and  
2-6                   (3) remains accountable for compliance with the  
2-7 applicable statutes and rules by a subcontractor, an agent, or any  
2-8 other entity compensated by the person for activities conducted on  
2-9 the person's behalf.  
2-10                  (b) The commission may establish rules and registration  
2-11 requirements for the aggregation of distributed energy resources.  
2-12                  SECTION 4. This Act takes effect September 1, 2023.

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