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| BILL ANALYSIS |

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| C.S.H.B. 14 |
| By: Harris |
| State Affairs |
| Committee Report (Substituted) |

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| **BACKGROUND AND PURPOSE** Texas is experiencing increased electricity demand and a growing need for reliable, clean, and dispatchable energy sources, with ERCOT projecting that the demand could reach nearly 150 gigawatts by 2030, as reported by the Texas Tribune. Advanced nuclear reactors could provide a viable solution to the state's energy needs, offering consistent power generation while fostering economic growth and energy security. Texas has already proved itself to be a leader in the industry, with nuclear energy currently providing around 10 percent of the state's power needs, according to the comptroller of public accounts, and advanced research occurring in both the private and public sectors, most notably with Texas A&M University's partnerships at the RELLIS campus. C.S.H.B. 14 seeks to continue this momentum by creating the Texas Advanced Nuclear Energy Office to oversee nuclear energy initiatives, funding programs, and regulatory assistance in the industry; by establishing a workforce development program to train the next generation of nuclear professionals; and by creating a new funding program under the Texas Energy Fund to provide reimbursement grants for project completions.  |
| **CRIMINAL JUSTICE IMPACT**It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision. |
| **RULEMAKING AUTHORITY** It is the committee's opinion that rulemaking authority is expressly granted to the Texas Advanced Nuclear Energy Office in SECTION 1 of this bill, to the Texas Workforce Commission in SECTION 2 of this bill, and to the Public Utility Commission of Texas in SECTION 3 of this bill. |
| **ANALYSIS** C.S.H.B. 14 amends the Government Code, Labor Code, and Utilities Code to provide for the establishment of the Texas Advanced Nuclear Energy Office and related programs to support the development of the nuclear energy industry in Texas. **Texas Advanced Nuclear Energy Office; Texas Advanced Nuclear Development Fund**Texas Advanced Nuclear Energy OfficeC.S.H.B. 14 amends the Government Code to establish the Texas Advanced Nuclear Energy Office as an office within the office of the governor and sets out the following purposes of the office:* to provide strategic leadership for the advanced nuclear reactor system in Texas;
* to collaborate with interested stakeholders and state and local leaders to craft a statewide strategic advanced nuclear energy public outreach program;
* to promote the development of advanced nuclear reactor projects for dispatchable electric generation while creating high-wage advanced manufacturing jobs in Texas;
* to lead the transition to a balanced energy future by advancing innovative nuclear energy generation technologies while delivering safe, reliable, and clean energy solutions that address the state's growing demand;
* to enhance the state's energy security, foster economic growth, and ensure the safety of future nuclear energy generation development;
* to identify barriers to the financial viability of nuclear energy generation and identify regulatory and licensing complexities that increase risk to developers of nuclear energy;
* to provide recommendations to the governor and legislature regarding advanced nuclear energy and associated technologies;
* to leverage the expertise and capacity of institutions of higher education, the nuclear energy industry, and regulatory stakeholders to develop a comprehensive strategic plan to ensure the development of advanced nuclear energy and associated technologies in Texas; and
* to support the development of an advanced nuclear energy supply chain and associated technologies in Texas.

C.S.H.B. 14 authorizes the Texas Advanced Nuclear Energy Office to do the following:* solicit and accept gifts, grants, or loans from and contract with any entity;
* establish ad hoc advisory committees as necessary to carry out the office's duties under the bill's Government Code provisions; and
* exercise any other power necessary to carry out the bill's Government Code provisions.

C.S.H.B. 14 requires the office to conduct a study to determine the necessity and feasibility of the office undertaking regulatory functions related to nuclear energy generation facilities in Texas and to submit the study to the legislature not later than December 1, 2026. These requirements expire August 31, 2027.C.S.H.B. 14 requires the governor to appoint to the office a director with demonstrated experience in the field of advanced nuclear energy and demonstrated executive and organizational ability. The bill establishes that the director serves at the pleasure of the governor and requires the director to do the following:* manage the affairs of the office;
* advise the Public Utility Commission of Texas (PUC) on the provision of grants from the Texas Energy Fund for nuclear energy generation facilities;
* administer programs established by the bill's Government Code provisions;
* establish appropriate standards to ensure proper use of money under those provisions;
* facilitate the location, expansion, and retention of advanced nuclear reactor projects in Texas; and
* submit to the governor and Legislative Budget Board, not later than December 1 of each even-numbered year, a strategic plan for furthering the goals, purposes, and objectives established under those provisions.

The bill authorizes the director to hire staff as necessary to implement the duties of the office under the bill's Government Code provisions and to employ a nuclear permitting coordinator to assist businesses throughout the nuclear energy generation permitting and regulatory process. The bill requires the coordinator to have a demonstrated familiarity with the permitting and regulatory process in Texas, have a network of contacts within the state government, and do the following:* act as a single point of contact for stakeholders during the nuclear energy generation permitting process;
* identify active or likely siting opportunities and required permits and approvals for nuclear energy generation sites and key personnel;
* provide tailored assistance for regulated persons navigating local, state, and federal regulations for nuclear energy generation facilities; and
* share information regarding the state's economic incentive programs for advanced nuclear reactor projects.

Texas Advanced Nuclear Development FundC.S.H.B. 14 creates the Texas Advanced Nuclear Development Fund as a dedicated account in the general revenue fund that consists of gifts, grants, or donations to the fund and money from any other source designated by the legislature. The bill authorizes the office to use money in the fund to do the following:* provide reimbursement-based grants to businesses, nonprofit organizations, and governmental entities, including institutions of higher education, through the grant programs established by the office; and
* pay for reasonable and necessary costs for staff support necessary to facilitate the work of the office.

The bill requires the director of the office, each biennium, to allocate an amount of the money appropriated to the fund for that biennium not to exceed 25 percent to fund projects that may qualify for the project development and supply chain reimbursement program.C.S.H.B. 14 requires the office to establish grant programs under the Texas Advanced Nuclear Development Fund and requires the director to administer those programs. The bill restricts the office to only providing grants to reimburse expenses paid by a recipient using the recipient's own funds. The bill prohibits the office from providing a grant to reimburse expenses paid by a recipient using financial assistance or incentives from any local, state, or federal source. The bill requires the office, before awarding a grant, to enter into a written agreement with the grant recipient that specifies benchmarks for the completion of the project for which the grant is provided and requires the grant recipient to repay to the state money received if the recipient fails to reach those benchmarks.Project Development and Supply Chain Reimbursement ProgramC.S.H.B. 14 authorizes the office to provide a reimbursement grant from the Texas Advanced Nuclear Development Fund for the expenses associated with initial development of an advanced nuclear reactor project in Texas. Expenses that qualify for such reimbursement are limited to expenses that are attributable or allocable to the following:* technology development, including university technology development;
* feasibility studies;
* site planning, including conceptual site-specific engineering studies;
* front-end engineering design, including interconnection costs that would otherwise be paid by the project;
* site and environmental characterization;
* nuclear commission early site permit work;
* preparation of the construction permit or combined license application to the nuclear commission;
* expanding existing nuclear assets in Texas;
* developing manufacturing capacity and readiness;
* fuel processing, manufacturing, and fabrication activities essential to the fuel cycle supply; and
* preparation of local, state, and non-nuclear commission federal permits.

The bill caps a reimbursement grant under the program at the lesser of 50 percent of the amount of qualifying expenses associated with the initial development of the project or $12.5 million. The bill requires the office by rule to establish procedures for the application for and provision of a grant under the program. Advanced Nuclear Construction Reimbursement ProgramC.S.H.B. 14 authorizes the office to provide a reimbursement grant from the Texas Advanced Nuclear Development Fund for expenses associated with the construction of an advanced nuclear reactor project in Texas. Expenses that qualify for such reimbursement are limited to expenses associated with the following:* the nuclear commission's review of the construction permit or combined license application;
* procurement of long-lead components; or
* construction activities, including the manufacture, fabrication, quality assurance, placement, erection, installation, modification, inspection, or testing of an advanced nuclear reactor project.

The bill caps a reimbursement grant under the program at the lesser of 50 percent of the amount of qualifying expenses associated with the project or $200 million. The bill requires the office by rule to establish procedures for the application for and provision of a grant under the program and prohibits the office from providing such a reimbursement grant until the applicant has filed with the nuclear commission a construction permit or combined license application for the project. The bill requires the office to provide for the proceeds of each grant to be distributed to the grant recipient on a rolling basis for qualifying expenses. Grant Application EvaluationC.S.H.B. 14 requires the office to evaluate an application for a grant from the Texas Advanced Nuclear Development Fund based on the following attributes of the grant applicant:* quality of services and management;
* efficiency of operations;
* access to resources essential for operating the project for which the grant is requested, such as land, water, and reliable infrastructure, as applicable;
* application or docketing of a permit or license with the nuclear commission; and
* evidence of creditworthiness and ability to repay the grant.

The bill establishes that information submitted to the office in an application for such a grant is confidential and not subject to disclosure under state public information law.ExpirationC.S.H.B. 14 sets an expiration date of September 1, 2040, for the bill's Government Code provisions.Procedural ProvisionC.S.H.B. 14 establishes that the office of the governor is required to implement the changes in law made by these provisions only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the office of the governor may, but is not required to, implement those changes in law using other appropriations available for that purpose.**Advanced Nuclear Completion Grant Program** C.S.H.B. 14 amends the Utilities Code to authorize the PUC to provide, using money available in the Texas Energy Fund for the purpose without further appropriation, a grant for the costs associated with the completion and operation of an advanced nuclear reactor project in Texas that is capable of interconnection with the ERCOT power grid. The bill requires the PUC by rule to establish the amount of a grant the PUC will provide under the program on a per megawatt basis according to the generation capacity of the advanced nuclear reactor project. The bill requires the PUC by rule to establish procedures for the following:* the application for and award of a grant;
* the administration of the grant program; and
* providing grants according to a tiered system based on the amount of electricity in megawatts provided to the ERCOT power grid by an advanced nuclear reactor project.

The bill prohibits the PUC from providing such a grant before June 2, 2029 and exempts the grant from the prohibition against the PUC providing a loan or grant for certain facilities serving an industrial load or private use network or for the construction or operation of a natural gas transmission pipeline. The bill establishes that information submitted to the PUC in an application for the grant is confidential and not subject to disclosure under state public information law.C.S.H.B. 14 requires the PUC to establish a separate account within the Texas Energy Fund for the advanced nuclear completion grant program. The bill restricts the use of money in the account to funding grants awarded under the program. The bill requires the PUC to transfer the following money to the account:* the returns received after September 1, 2025, from the investment of money in the Texas Energy Fund;
* unspent money remaining in the fund on May 31, 2029; and
* money repaid to the fund from loan recipients.

**Advanced Nuclear Energy Workforce Development Program**C.S.H.B. 14 amends the Labor Code to require the Texas Workforce Commission (TWC), in collaboration with the Texas Advanced Nuclear Energy Office and the Texas Higher Education Coordinating Board (THECB), by rule to establish and administer the advanced nuclear energy workforce development program to address urgent skilled labor demands in the advanced nuclear energy industry in Texas. The bill requires TWC, under the program, to do the following:* create a strategic plan for the following:
	+ addressing labor supply gaps and talent retention issues in the advanced nuclear energy industry; and
	+ providing financial assistance, including through the creation of strategic partnerships among public and private entities and advanced nuclear energy industry stakeholders, to incentivize and support the following:
		- the creation by public institutions of higher education of education and training programs in the field of advanced nuclear energy; and
		- research and leadership development in that field at general academic teaching institutions; and
* develop customized curriculum requirements for degree and certificate programs to prepare students for high-wage jobs in the advanced nuclear energy industry that, subject to THECB approval under applicable state law, may be offered by an institution of higher education.

C.S.H.B. 14 requires TWC, in developing those customized curriculum requirements, to do the following:* consult with employers in the advanced nuclear energy industry and representatives of the following: the THECB, the Texas Advanced Nuclear Energy Office, general academic teaching institutions, public technical institutes, and public junior colleges; and
* focus on developing curricula for programs leading to high-wage jobs in the areas of nuclear-grade welding, radiological control and monitoring, reactor operations, nuclear instrumentation and control, and nuclear, electrical, chemical, civil, and environmental engineering.

The bill requires TWC, not later than September 1 of each year, to prepare and submit to each standing committee of the legislature with primary jurisdiction over workforce development, higher education, or energy industry matters, a report summarizing TWC's activities under the program, which may include TWC's recommendations for legislative or other action. For purposes of the bill's Labor Code provisions, the bill defines "general academic teaching institution," "institution of higher education," "public junior college," and "public technical institute" by reference to the Higher Education Coordinating Act of 1965.**Definitions** C.S.H.B. 14 amends the Government Code to define the following terms for purposes of the bill's provisions:* "advanced nuclear reactor" as a range of nuclear reactor technologies determined by the office to be either of generation III or generation IV, including large light water reactors, small modular reactors, microreactors, and nuclear cogeneration;
* "advanced nuclear reactor project" as an electric generation facility that relies on an advanced nuclear reactor to generate power, a nuclear fuel cycle facility that supplies advanced nuclear reactors, or associated technologies supporting the advanced nuclear energy industry;
* "combined license" as a license issued by the nuclear commission that authorizes a licensee to construct and operate a nuclear power facility, such as a nuclear plant at a specific site, with specified conditions;
* "construction permit" as a permit issued by the nuclear commission for the construction of a nuclear production or utilization facility; and
* "nuclear commission" as the U.S. Nuclear Regulatory Commission or a representative of that commission.
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| **EFFECTIVE DATE** September 1, 2025. |
| **COMPARISON OF INTRODUCED AND SUBSTITUTE**While C.S.H.B. 14 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.**Government Code Provisions** The substitute makes the following changes to the definitions applicable to the bill's Government Code provisions: * removes the specification present in the introduced version's definition of "advanced nuclear reactor" that the nuclear reactor technologies are proven and innovative technologies and changes the technologies included in that definition from Gen III+ and Gen IV to those determined by the office to be either of generation III and generation IV;
* expands the definition of "advanced nuclear reactor project" to include a nuclear fuel cycle facility that supplies advanced nuclear reactors and associated technologies supporting the advanced nuclear energy industry, which was absent in the introduced;
* omits the definitions of "applicant," "final investment decision," "operating license," "person," and "program," which were present in the introduced;
* includes the definition of "office," which was absent from the introduced; and
* whereas the introduced defined "commission" as the PUC, the substitute defines "utility commission" in that manner.

The substitute omits provisions present in the introduced establishing the purpose of the bill. The substitute includes a provision absent from the introduced establishing that the office of the governor is required to implement the changes in law made in the substitute version's Government Code provisions only if the legislature appropriates money specifically for that purpose, and if the legislature does not, the office of the governor may, but is not required to, implement those changes in law using other available appropriations. The substitute omits a duplicate provision present in the introduced setting the bill's Government Code provisions to expire on September 1, 2040. Office Established by BillWhereas the introduced established the Texas Advanced Nuclear Deployment Office, the substitute establishes the Texas Advanced Nuclear Energy Office.The substitute omits provisions present in the introduced that establish that the office is administratively attached to the governor's office and that require the equal employment opportunity officer and the internal auditor of the governor's office to serve the same functions for the Texas Advanced Nuclear Deployment Office as they serve for the governor's office.The substitute revises the purposes of the office as present in the introduced as follows:* includes purposes absent from the introduced of providing strategic leadership for the advanced nuclear reactor system in Texas, promoting the development of advanced nuclear reactor projects for dispatchable electric generation while creating high-wage jobs, leading the transition to a balanced energy future, enhancing the state's energy security, fostering economic growth, and ensuring the safety of future nuclear energy generation development;
* omits a purpose present in the introduced of providing strategic leadership within the advanced nuclear reactor system in Texas;
* revises the purpose present in the introduced of leveraging the expertise and capacity of institutions of higher education, industry, and regulatory stakeholders to develop a comprehensive strategic plan to ensure the development of advanced nuclear energy and technologies by specifying that the applicable industry is the nuclear energy industry and that the technologies are associated technologies;
* revises the purpose present in the introduced of providing recommendations to the governor and legislature regarding advanced nuclear energy and technologies by specifying that the technologies are associated technologies; and
* revises the purpose present in the introduced of supporting the development of an advanced nuclear energy supply chain in Texas by including the development of associated technologies in that purpose.

The substitute includes the following provisions that were absent from the introduced:* an authorization for the office to solicit and accept gifts, grants, or loans from and contract with any entity, establish ad hoc advisory committees, and exercise any other power necessary to carry out the bill's Government Code provisions;
* a requirement for the office to conduct a study to determine the necessity and feasibility of the office undertaking certain regulatory functions and to submit that study to the legislature not later than December 1, 2027; and
* a temporary provision setting those study requirements to expire August 31, 2027.

With respect to the duties of the director of the office, the introduced and substitute differ as follows:* the substitute omits the introduced version's requirement for the director to develop a plan to engage with stakeholders to gather input and solicit feedback on the development of rules promulgated by the PUC related to a certain fund and fund programs;
* the substitute includes a requirement absent from the introduced for the director to advise the PUC on the provision of grants from the Texas Energy Fund for nuclear energy generation facilities; and
* whereas the introduced required the director to administer a fund provided by the legislature and fund programs consistent with the introduced version's Government Code provisions, the substitute requires the director to administer programs established by the substitute version's Government Code provisions.

The substitute omits an authorization for the director to convene an advisory committee in the manner provided by applicable state law, which was present in the introduced. The substitute replaces the introduced version's requirement for the director to employ a nuclear permitting coordinator with an authorization for the director to do so. While both the introduced and substitute require the coordinator to have a network of contacts within state government, the substitute omits the introduced version's specification that the network of contacts is developed.The introduced and the substitute both require the nuclear permitting coordinator to take certain actions but differ as follows:* with respect to certain references made in the introduced to nuclear energy permitting and nuclear energy sites, the substitute includes specifications absent from the introduced that such permitting and sites are nuclear energy generation permitting and nuclear energy generation sites; and
* replaces the requirement present in the introduced for the coordinator to provide tailored assistance to help industry navigate relevant local, state, and federal regulations and regulatory entities for nuclear facilities with a requirement for the coordinator to provide tailored assistance for regulated persons navigating local, state, and federal regulations for nuclear energy generation facilities.

Fund and Grant ProgramsWhereas the introduced required the office to establish, and the director to administer, the programs established under the introduced version's Government Code provisions, including the tier 1 project development and supply chain program and the tier 2 advanced nuclear construction program, the substitute does the following:* establishes the Texas Advanced Nuclear Development Fund;
* requires the office to establish the project development and supply chain reimbursement program and the advanced nuclear construction reimbursement program; and
* requires the director to administer those programs.

The substitute includes the following provisions that were absent from the introduced: * a provision creating the Texas Advanced Nuclear Development Fund as a dedicated account in the general revenue fund that consists of gifts, grants, or donations to the fund, and money from any other source designated by the legislature;
* the authorized uses of money in the fund by the office;
* a requirement for the director, each biennium, to allocate an amount of the money appropriated to the fund for that biennium not to exceed 25 percent to fund projects that may qualify for the project development and supply chain reimbursement program;
* a restriction on the office to provide a reimbursement grant only to reimburse expenses paid by a recipient using the recipient's own funds;
* a prohibition against the office reimbursing expenses paid by a recipient using financial assistance or incentives from any local, state, or federal source; and
* a requirement for the office, before awarding a reimbursement grant, to enter into a written agreement with the grant recipient.

The substitute replaces the authorization in the introduced for an applicable grant agreement to include a provision stating the grant recipient must repay the grant funds received if the recipient fails to obtain an applicable operating license with a requirement for a written agreement between the office and recipient to specify benchmarks for the completion of the project for which the grant is provided and to require the grant recipient to repay to the state money received if the recipient fails to reach the specified benchmarks.Whereas the introduced required the office to provide certain reimbursement grants under the project development and supply chain reimbursement program and the advanced nuclear construction reimbursement program, the substitute authorizes the office to do so using the Texas Advanced Nuclear Development Fund. The substitute does the following with respect to the project development and supply chain reimbursement program: * whereas the introduced specified that expenses associated with fuel fabrication activities essential to the fuel cycle supply qualify for reimbursement under the program, the substitute specifies that expenses attributable or allocable to fuel processing, manufacturing, and fabrication activities essential to the fuel cycle supply qualify for such reimbursement;
* includes as an expense qualifying for reimbursement that was absent from the introduced the preparation of local, state, and non-nuclear commission federal permits;
* removes the introduced version's prohibition against the office providing a reimbursement grant until the applicant has filed its early site permit, construction permit, or combined license application with the nuclear commission;
* includes a provision absent from the introduced capping a grant at the lesser of 50 percent of the amount of qualifying expenses associated with the initial development of the project or $12.5 million; and
* includes a provision absent from the introduced requiring the office by rule to establish procedures for the application for and provision of such a grant.

The substitute does the following with respect to the advanced nuclear construction reimbursement program:* changes the cap on a grant awarded under the program from $200 million per project, allocated as 30 percent to the recipient after a license or permit is docketed with the nuclear commission and 70 percent to the recipient after the final investment decision is made, as in the introduced, to a cap of the lesser of 50 percent of the amount of qualifying expenses associated with the project or $200 million;
* includes a requirement absent from the introduced for the office by rule to establish procedures for the application for and provision of a grant under the program; and
* omits a specification present in the introduced that the requirement for the office to provide for the proceeds of each grant to be distributed to the recipient on a rolling basis for qualifying expenses includes eligible expenses that were incurred prior to a project's enrollment in the program.

While both the introduced and substitute establish evaluation criteria for a grant application under the bill's Government Code provisions, the substitute includes as an evaluation criterion the grant applicant's application or docketing of a permit or license with the nuclear commission, which was absent from the introduced. With regard to the evaluation criteria of a grant applicant's evidence of creditworthiness and ability to repay the grant, the substitute omits the introduced version's specification that the repayment is subject to certain grant agreement conditions and includes the grant applicant's total assets, total liabilities, net worth, and credit ratings issued by major credit rating agencies.Whereas the introduced makes information submitted to the PUC in a grant application confidential and not subject to state public information law, the substitute makes information submitted to the office in a grant application confidential and not subject to state public information law.The substitute omits the introduced version's requirement for the office by rule to establish procedures for the application for an award of a grant under the introduced version's Government Code provisions, including certain required documentation, and procedures for the administration of the introduced version's Government Code programs. **Advanced Nuclear Energy Workforce Development Program**The substitute includes provisions absent from the introduced defining "coordinating board," "general academic teaching institution," "institution of higher education," "public junior college," "public technical institute," "office," and "program," as those terms relate to the bill's Labor Code provisions. Whereas the introduced required TWC to collaborate with the Texas Advanced Nuclear Energy Office and the THECB to administer an advanced nuclear workforce development program to address skill and labor gaps in the advanced nuclear energy industry in Texas, the substitute instead requires TWC, in collaboration with the Texas Advanced Nuclear Energy Office and the THECB, by rule to establish and administer that program for the purpose of addressing urgent skilled labor demands in the advanced nuclear energy industry. The substitute includes the following provisions absent from the introduced:* a requirement for TWC, under the program, to create a strategic plan for addressing workforce issues and providing financial assistance and to develop customized curriculum requirements for certain degree and certificate programs;
* a requirement for TWC, in developing those curriculum requirements, to consult with applicable representatives and employers and to focus on developing curricula for programs leading to high-wage jobs in specified areas;
* a requirement for TWC, not later than September 1 of each year, to prepare and submit to the applicable legislative committees a report summarizing TWC's activities under the program; and
* an authorization for the report to include TWC's recommendations for legislative or other action.

**Utilities Code Provisions**The substitute includes provisions absent from the introduced defining "advanced nuclear reactor," "advanced nuclear reactor project," and "fund," as those terms relate to the bill's Utilities Code provisions. Whereas the introduced required the PUC to provide a grant for the costs associated with the completion and operation of an advanced nuclear reactor project in Texas, the substitute authorizes the PUC to provide, using money available in the Texas Energy Fund for the purpose without further appropriation, a grant for costs relating to such a project that is capable of interconnection with the ERCOT power grid. Additionally, whereas the introduced authorized the PUC to provide a grant on a per megawatt basis only for an advanced nuclear reactor project that is activated and operating, the substitute authorizes the PUC by rule to establish the amount of a grant the PUC will provide on a per megawatt basis according to the generation capacity of the advanced nuclear reactor project. The substitute omits the provision in the introduced establishing that any monies earned on interest, unspent funds, or loan repayments from the Texas Energy Fund is deposited into the introduced version's tier 3 completion payment program.The substitute omits the introduced version's requirement for the PUC by rule to establish procedures for a tiered completion bonus program to incentivize advanced nuclear reactors that have demonstrated a prioritization and utilization of Texas based manufacturing, supply chain, fuel fabrication, and workforce. The substitute includes a requirement absent from the introduced for the PUC by rule to establish procedures for providing grants according to a tiered system based on the amount of electricity in megawatts provided to the ERCOT power grid by an advanced nuclear reactor project. The substitute includes the following provisions that were absent from the introduced:* a prohibition against the PUC providing a grant under the completion grant program before June 2, 2029;
* an exemption for the grant from the prohibition against the PUC providing a loan or grant for certain facilities serving an industrial load or private use network or for the construction or operation of a natural gas transmission pipeline;
* a requirement for the PUC to establish a separate account within the Texas Energy Fund for the program;
* a restriction for money in that account to be used only to fund grants awarded under the completion grant program;
* a requirement for the PUC to transfer to the separate account the returns received after September 1, 2025, from the investment of money in the fund and unspent money remaining in the fund on May 31, 2029; and
* a provision establishing that information submitted to the PUC in an application for a grant is confidential and not subject to disclosure under state public information law.
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