**BILL ANALYSIS**

|  |  |
| --- | --- |
| Senate Research Center | S.B. 715 |
| 89R4457 SCR-D | By: Sparks |
|  | Business & Commerce |
|  | 3/28/2025 |
|  | As Filed |

**AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Following Winter Storm Uri, the 88th Legislature made numerous changes to the electric industry to secure the state's power sector. It moved up the sunset date for the Public Utility Commission of Texas (PUC), which has complete authority to oversee ERCOT. H.B. 1500 reauthorized the PUC and attached additional measures, including requiring ERCOT generators (other than battery storage) to execute a generation interconnection agreement on or after January 1, 2027, and meet specific performance standards on an annual basis, or else pay a fine.  Generators will need to be able to demonstrate their ability to produce power when called upon by ERCOT. The PUC is required to set the applicable performance standard for each resource type and establish the scale of financial penalties for noncompliance. S.B. 715 removes the 2027 timeline for the reliability requirement in H.B. 1500 so the new reliability standard will be followed by everyone.

As proposed, S.B. 715 amends current law relating to the applicability of certain generation reliability requirements.

**RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

**SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 39.1592(a), Utilities Code, as follows:

(a) Provides that Section 39.1592 (Generation Reliability Requirements) applies only to an electric generation facility in the Electric Reliability Council of Texas (ERCOT) power region that is subject to a standard generator interconnection agreement, has been in operation for at least one year, and is not a self-generator.

Deletes existing text providing that this section applies only to an electric generation facility in the ERCOT power region for which a standard generator interconnection agreement is signed on or after January 1, 2027, that has been in operation for at least one year, and that is not a self-generator.

SECTION 2. Repealers: Sections 52(b) (relating to the date of implementation of Section 39.1592, Utilities Code) and 52(c) (relating to requiring an owner or operator of an electric generation facility to make the first demonstration of the ability of the owner or operator's portfolio to operate in certain conditions by a certain date), Chapter 410 (H.B. 1500), Acts of the 88th Legislature, Regular Session, 2023.

SECTION 3. Effective date: September 1, 2025.