89R2108 JXC-F

By:  Troxclair H.B. No. 1343

A BILL TO BE ENTITLED

AN ACT

relating to the issuance by the Public Utility Commission of Texas of a permit for the installation of certain electric energy storage equipment or facilities; authorizing a fee.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1.  Subchapter E, Chapter 35, Utilities Code, is amended by adding Section 35.154 to read as follows:

Sec. 35.154.  LOCATION PERMIT. (a) In this section, "person" includes an electric cooperative and a municipally owned utility.

(b)  A person may not install electric energy storage equipment or facilities intended for use in selling energy or ancillary services at wholesale in the ERCOT power region unless the person holds a permit issued under this section.

(c)  The commission by rule shall require each permitted electric energy storage equipment or facility to be installed only in a location that:

(1)  is a sufficient distance from any other electric energy storage equipment or facility to reasonably mitigate the risk of a fire at the permitted electric energy storage equipment or facility spreading to other electric energy storage equipment or facilities; and

(2)  in the event of a fire at the site of the permitted electric energy storage equipment or facility, is reasonably unlikely to block the only access point to a residential area.

(d)  A person may apply for a permit under this section by filing with the commission:

(1)  a description of the proposed location of the electric energy storage equipment or facilities;

(2)  a description of the type of electric energy storage equipment or facilities;

(3)  a statement identifying the fire department, as defined by Section 419.021, Government Code, volunteer fire department, fire marshal, or other first responder entity that may reasonably be expected to be the primary first responder to a fire at the location of the electric energy storage equipment or facilities;

(4)  a statement that the person has provided written notice to the entity identified in Subdivision (3) of the applicant's intent to install electric energy storage equipment or facilities; and

(5)  any other information required by commission rule.

(e)  When an application for a permit, or an amendment to a permit issued under this section, is filed, the commission shall give notice of the application to the county judge of the county in which all or a majority of the electric energy storage equipment or facilities are proposed to be located.

(f)  The commission may hold one or more public meetings on a permit application in the county in which the electric energy storage equipment or facilities are proposed to be located. The commission shall hold a public meeting:

(1)  on the request of a member of the legislature who represents the area in which the electric energy storage equipment or facilities are proposed to be located; or

(2)  if the commission determines there is substantial public interest in the proposed permit.

(g)  The commission by order or rule may delegate to the executive director or another commission employee the authority to hold a public meeting under this section.

(h)  The commission may approve an application for a permit only if the commission finds that:

(1)  issuance of the permit would not violate state or federal law; and

(2)  the location of the proposed electric energy storage equipment or facilities complies with rules adopted under Subsection (c).

(i)  The commission by rule shall adopt a fee to be imposed on each permit applicant to cover costs associated with implementing this section.

(j)  For purposes of this section:

(1)  a provision of Subchapter B or E, Chapter 14, that authorizes the commission to regulate a public utility also applies to a person required to obtain a permit under this section, including an electric cooperative or a municipally owned utility; and

(2)  a reference in Chapter 15 to a person includes a person required to obtain a permit under this section, including an electric cooperative or a municipally owned utility.

SECTION 2.  Section 35.154, Utilities Code, as added by this Act, applies only to electric energy storage equipment or facilities interconnected to a transmission facility on or after the effective date of this Act.

SECTION 3.  This Act takes effect September 1, 2025.