

1-1 By: Sparks, Kolkhorst, Middleton S.B. No. 715  
 1-2 (In the Senate - Filed January 6, 2025; February 7, 2025,  
 1-3 read first time and referred to Committee on Business & Commerce;  
 1-4 April 22, 2025, reported adversely, with favorable Committee  
 1-5 Substitute by the following vote: Yeas 6, Nays 4; April 22, 2025,  
 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. 715 By: King

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

1-23 relating to reliability requirements for certain electric  
 1-24 generation facilities.

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

1-26 SECTION 1. Sections 39.1592(a) and (d), Utilities Code, are  
 1-27 amended to read as follows:

1-28 (a) This section applies only to an electric generation  
 1-29 facility in the ERCOT power region that is subject to [for which] a  
 1-30 standard generator interconnection agreement, ~~[is signed on or~~  
 1-31 ~~after January 1, 2027, that]~~ has been in operation for at least one  
 1-32 year, and ~~[that]~~ is not a self-generator.

1-33 (d) The independent organization certified under Section  
 1-34 39.151 for the ERCOT power region may not impose penalties under  
 1-35 Subsection (c):

1-36 (1) for resource unavailability due to planned  
 1-37 maintenance outages or transmission outages;

1-38 (2) on resources that are already subject to  
 1-39 performance obligations during the highest reliability risk hours  
 1-40 under the day-ahead market rules or other ancillary or reliability  
 1-41 services established by the commission or the independent  
 1-42 organization; ~~[or]~~

1-43 (3) on resources that demonstrate the ability to  
 1-44 operate when called upon for dispatch for 24 continuous hours at or  
 1-45 above the seasonal average generation capability through the  
 1-46 resource's own generation capability or through a contract with an  
 1-47 on-site or off-site resource, including a battery energy storage  
 1-48 resource; or

1-49 (4) on resources with dual but separate grid  
 1-50 interconnections that provide dispatchable generation to the ERCOT  
 1-51 power region [during hours outside a baseline established by the  
 1-52 commission that includes morning and evening ramping periods].

1-53 SECTION 2. (a) The Public Utility Commission of Texas shall  
 1-54 consider the use of a settlement price cap, a fixed reliability fee,  
 1-55 and other methods of imposing penalties under Section  
 1-56 39.1592(c)(1), Utilities Code. The Public Utility Commission of  
 1-57 Texas and the independent organization certified under Section  
 1-58 39.151, Utilities Code, for the ERCOT power region shall:

1-59 (1) consider rebating penalties collected under  
 1-60 Section 39.1592 directly to consumers or redirecting a portion of

2-1 the collected penalties toward reliability incentives; and  
2-2 (2) for the purposes of Subdivision (1) of this  
2-3 subsection, prioritize rebates of penalties or redirection of  
2-4 penalties in a manner the commission determines will provide the  
2-5 maximum financial benefit to consumers while still ensuring that  
2-6 the reliability needs of the ERCOT power region are met.  
2-7 (b) Notwithstanding Section 39.1592(c), Utilities Code, the  
2-8 Public Utility Commission of Texas may allow the financial  
2-9 penalties and incentives required by that subsection to be adopted  
2-10 in a phased manner over multiple years to mitigate market  
2-11 disruptions that the commission determines would result in net  
2-12 increased costs to consumers.  
2-13 SECTION 3. This Act takes effect September 1, 2025.

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