

1-1 By: Hancock S.B. No. 1278
 1-2 (In the Senate - Filed March 9, 2021; March 18, 2021, read
 1-3 first time and referred to Committee on Business & Commerce;
 1-4 April 7, 2021, reported adversely, with favorable Committee
 1-5 Substitute by the following vote: Yeas 7, Nays 2; April 7, 2021,
 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 COMMITTEE SUBSTITUTE FOR S.B. No. 1278 By: Hancock

1-19 A BILL TO BE ENTITLED
 1-20 AN ACT

1-21 relating to the responsibility for ancillary services costs
 1-22 incurred for the operation of intermittent generation resources.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Section 35.004(e), Utilities Code, is amended to
 1-25 read as follows:

1-26 (e) The commission shall ensure that ancillary services
 1-27 necessary to facilitate the transmission of electric energy are
 1-28 available at reasonable prices with terms and conditions that are
 1-29 not unreasonably preferential, prejudicial, discriminatory,
 1-30 predatory, or anticompetitive. The commission shall require
 1-31 intermittent generation resources in the ERCOT power region to
 1-32 purchase ancillary services and replacement power sufficient to
 1-33 manage net load variability. In this subsection, "ancillary
 1-34 services" means services necessary to facilitate the transmission
 1-35 of electric energy including load following, standby power, backup
 1-36 power, reactive power, and any other services as the commission may
 1-37 determine by rule. On the introduction of customer choice in the
 1-38 ERCOT power region, acquisition of generation-related ancillary
 1-39 services on a nondiscriminatory basis by the independent
 1-40 organization in ERCOT on behalf of entities selling electricity at
 1-41 retail shall be deemed to meet the requirements of this subsection.

1-42 SECTION 2. The Public Utility Commission of Texas shall
 1-43 adopt any rules required to implement Section 35.004(e), Utilities
 1-44 Code, as amended by this Act, not later than January 1, 2022.

1-45 SECTION 3. This Act takes effect September 1, 2021.

1-46 * * * * *