

Amend CSHB 2713 (house committee printing) as follows:

(1) On page 1, between lines 6 and 7, insert the following:

ARTICLE 1. INTERIM SPECIAL COMMITTEE ON ELECTRIC ENERGY GENERATION
CAPACITY AND ENVIRONMENTAL IMPACT

(2) On page 1, line 7, strike "SECTION 1" and substitute "SECTION 1.01".

(3) On page 2, line 6, strike "SECTION 2" and substitute "SECTION 1.02".

(4) On page 3, line 20, strike "SECTION 3" and substitute "SECTION 1.03".

(5) On page 3, line 24, strike "SECTION 4" and substitute "SECTION 1.04".

(6) On page 4, line 2, strike "SECTION 5" and substitute "SECTION 1.05".

(7) On page 4, line 6, strike "Act" and substitute "article".

(8) On page 4, line 12, strike "SECTION 6. EFFECTIVE DATE. This Act" and substitute "SECTION 1.06. EFFECTIVE DATE. This article".

(9) Add the following appropriately numbered ARTICLES and SECTIONS and renumber the subsequent ARTICLES and SECTIONS of the bill accordingly:

ARTICLE _____. ELECTRIC ENERGY STORAGE DEVICES

SECTION _____.01. DEFINITION. In this article, "commission" means the Public Utility Commission of Texas.

SECTION _____.02. STUDY. (a) The commission shall conduct a study on the potential of electric energy storage devices to benefit the operation of transmission and distribution systems. In conducting the study, the commission shall consider any relevant issues, including:

(1) the effect of the devices on system reliability;

(2) the advantages and disadvantages of transmission and distribution utilities owning and operating those devices as transmission and distribution facilities;

(3) the manner in which the devices may be integrated into the ERCOT operating system, if applicable;

(4) the manner in which the devices may benefit power

generation companies, retail electric providers, electric utilities, and transmission and distribution utilities; and

(5) the appropriate methods to bill and account for any costs and revenue associated with the electric energy that is used to charge, and that is later discharged from, a device.

(b) The commission shall prepare a report on the results of the study. The report must include the commission's conclusions on the potential of electric energy storage devices and, as appropriate, recommendations to the legislature on legislation or other action necessary to realize that potential. The commission shall include the report in the electric market scope of competition report required by Section 31.003, Utilities Code, that the commission submits to the 81st Legislature.

(c) The commission shall conduct the study and prepare the report as required by this section:

(1) with input from the ERCOT independent system operator; and

(2) after requesting comments and input from all interested parties.

SECTION _____.03. DEMONSTRATION PROJECTS. (a) The commission may authorize one or more electric utilities or transmission or distribution utilities to operate demonstration projects that involve facilities capable of not more than two megawatts of electric energy storage for the purpose of obtaining a better understanding of the facilities':

(1) cost;

(2) value; and

(3) operational characteristics, including the efficient use of the transmission system and the facilities' effect on removing transmission constraints.

(b) The operation of a demonstration project under this section does not prejudice the study required by Section _____.02 of this article or any future determination relating to the appropriateness of an electric utility or transmission and distribution utility owning and operating electric energy storage facilities.

(c) This section may not be interpreted to require an

electric utility or transmission and distribution utility to install an electric energy storage facility.

SECTION _____.04. EFFECTIVE DATE. This article takes effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this article takes effect September 1, 2007.

ARTICLE _____. EFFECTIVE DATE

SECTION _____.01. Except as otherwise provided by this Act, this Act takes effect September 1, 2007.