Amend CSSB 545 (Senate committee report) as follows:

(1) On page 1, line 14, insert the following and renumber subsequent sections accordingly:

"SECTION 1. Section 39.002, Utilities Code, is amended to read as follows:

Sec. 39.002. APPLICABILITY. This chapter, other than Sections 39.155, 39.157(e), 39.203, 39.903, 39.904, 39.9051, 39.9052, [and] 39.914(e), and 39.9156 does not apply to a municipally owned utility or an electric cooperative. Sections 39.157(e), 39.203, and 39.904, however, apply only to a municipally owned utility or an electric cooperative that is offering customer choice. If there is a conflict between the specific provisions of this chapter and any other provisions of this title, except for Chapter 40 and 41, the provisions of this chapter control."

- (2) On page 1, strike lines 32-34 and renumber subsequent subdivisions accordingly.
- (3) On page 2, lines 27, strike "and energy storage projects".
- (4) On page 2, line 28, between "cost-effective" and "than" insert "per megawatt installed".
- (5) On page 2, line 32, between "consider" and "other" insert "a competitive bidding process, a reverse auction, or".
- (6) On page 2, line 37, between " \underline{amount} " and " \underline{of} " insert "per megawatt installed".
 - (7) On page 2, line 45, insert:
- "(4) projects in development that can use rebates awarded to secure additional financing for that project;" and renumber subsequent subdivisions accordingly.
 - (8) On page 3, line 29, strike "a choice of and".
- (9) On page 3, lines 33-34, strike "with retail sales of more than 500,000 megawatt hours in 2007".
- (10) On page 3, lines 34-35, strike "and other renewable energy".
- (11) On page 3, line 35, between the words, "projects" and "consistent", insert "at a total funding level".
- (12) On page 3, line 36, between "state" and ".", insert "under subsections 39.9155(c)(2) and 39.155(d)".

- (13) On page 3, lines 38-39, strike "with retail sales of more than 500,000 megawatt hours in 2007".
- (14) On page 3, line 43, insert new Subsections (c), (d), (e), and (f) to read as follows:
- "(c) Nothing in this section shall be construed to prevent the governing body of an electric cooperative or municipally owned utility from adopting rules, programs, and incentives that encourage or provide for the installation of more solar generation capacity that the goals set forth in Section 39.9155 or the rules adopted by the commission under that section.
- (d) Funding for solar generation provided after May 1, 2007 shall count toward compliance with this section.
- (e) An electric cooperative or municipally owned utility may recover the costs required by this section through a nonbypassable fee consistent with that authorized by the commission for electric utilities under section 39.9155(c)(2) or such other cost recovery mechanism as determined by the governing body of the electric cooperative or municipally owned utility.
- (f) This section applies only to an electric cooperative or municipally owned utility with retail sales of more than 500,000 megawatt hours in 2007."