

By: Campbell

S.B. No. 1826

A BILL TO BE ENTITLED

AN ACT

relating to the regulation of the amount of installed electric generation capacity.

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

SECTION 1. Section 39.001, Utilities Code, is amended by amending Subsection (a) and adding Subsection (d-1) to read as follows:

(a) The legislature finds that the production and sale of electricity is not a monopoly warranting regulation of rates, operations, and services and that the public interest in competitive electric markets requires that, except for transmission and distribution services and for the recovery of stranded costs, generation capacity and electric services and their prices should be determined by customer choices and the normal forces of competition. As a result, this chapter is enacted to protect the public interest during the transition to and in the establishment of a fully competitive electric power industry.

(d-1) The legislature finds that the amount of installed generation capacity is best determined by investor, generator, and customer choices through the normal forces of competition. As a result, except as provided in Section 39.154, regulatory authorities shall not mandate or otherwise regulate the amount of installed generation capacity, including requiring a surplus or reserve of installed generation capacity above actual or forecasted

1 levels of load. Nothing in this subsection is intended to prevent
2 the commission or an independent organization from exercising its
3 responsibilities under Section [35.004\(e\)](#).

4 SECTION 2. This Act takes effect September 1, 2015.