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1 actions of the electric cooperative, its successors, an assignee, a
2 collection agent, or a financing party, which shall remain in full
3 force and effect.

4 SECTION 2. Section 39.002, Utilities Code, is amended to
5 read as follows:

6 Sec. 39.002. APPLICABILITY. This chapter, other than
7 Sections 39.1516, 39.155, 39.157(e), 39.159, 39.160, 39.203,
8 39.904, 39.9051, 39.9052, and 39.914(e), does not apply to a
9 municipally owned utility or an electric cooperative. Sections
10 39.157(e), 39.203, and 39.904, however, apply only to a municipally
11 owned utility or an electric cooperative that is offering customer
12 choice. If there is a conflict between the specific provisions of
13 this chapter and any other provisions of this title, except for
14 Chapters 40 and 41, the provisions of this chapter control.

15 SECTION 3. Subchapter D, Chapter 39, Utilities Code, is
16 amended by adding Sections 39.159 and 39.160 to read as follows:

17 Sec. 39.159. CHARGES FOR CERTAIN MARKET PARTICIPANTS.
18 Notwithstanding any other law, no default or uplift charge or
19 repayment may be allocated to or collected from a market
20 participant that:

21 (1) otherwise would be subject to an uplift charge
22 solely as a result of acting as a central counterparty
23 clearinghouse in wholesale market transactions in the ERCOT power
24 region; and

25 (2) is regulated as a derivatives clearing
26 organization, as defined by the Commodity Exchange Act (7 U.S.C.
27 Section 1a).

1 Sec. 39.160. DEFAULT OF MARKET PARTICIPANT. (a) The
 2 commission shall require that all market participants pay or make
 3 provision for the full and prompt payment of amounts owed
 4 calculated solely according to the protocols in effect during the
 5 period of emergency to the independent organization certified under
 6 Section 39.151 for the ERCOT power region to qualify, or to continue
 7 to qualify, as a market participant in the ERCOT power region.

8 (b) If a market participant has failed to fully repay all
 9 amounts calculated solely under the protocols in effect during the
 10 period of emergency of the independent organization certified under
 11 Section 39.151 for the ERCOT power region, the independent
 12 organization shall report the market participant as in default to
 13 the commission. The commission may not allow the independent
 14 organization to accept the defaulting market participant's loads or
 15 generation for scheduling in the ERCOT power region, or allow the
 16 defaulting market participant to be a market participant in the
 17 ERCOT power region for any purpose, until all amounts owed to the
 18 independent organization by the market participant as calculated
 19 under the protocols are paid in full.

20 (c) The commission and the independent organization
 21 certified under Section 39.151 for the ERCOT power region shall
 22 pursue collection in full of amounts owed to the independent
 23 organization by the defaulting market participant.

24 SECTION 4. This Act takes effect immediately if it receives
 25 a vote of two-thirds of all the members elected to each house, as
 26 provided by Section 39, Article III, Texas Constitution. If this
 27 Act does not receive the vote necessary for immediate effect, this

Handwritten initials in the top right corner.

S.B. No. 1580

1 Act takes effect September 1, 2021.

[Signature]
President of the Senate

[Signature]
Speaker of the House

I hereby certify that S.B. No. 1580 passed the Senate on April 28, 2021, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendment on May 28, 2021, by the following vote: Yeas 31, Nays 0.

[Signature]
Secretary of the Senate

I hereby certify that S.B. No. 1580 passed the House, with amendment, on May 25, 2021, by the following vote: Yeas 144, Nays 0, one present not voting.

[Signature]
Chief Clerk of the House

Approved:

6-16-21
Date

[Signature]
Governor

FILED IN THE OFFICE OF THE SECRETARY OF STATE

12 PM O'CLOCK

JUN 18 2021

[Signature]
Secretary of State