



## Senate Bill 715 (Sparks/Patterson)

### *A Direct Attack on Grid Reliability and Texas Ratepayers*

Senate Bill 715 undoes the carefully negotiated firming framework adopted last session in House Bill 1500 (88-R). Its retroactive mandates likely violate the Texas Constitution's contract protections, inviting costly litigation and undermining investor confidence in Texas' historically business-friendly climate.

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**JEOPARDIZES RELIABILITY:** The unplanned costs imposed on existing power plants would force the retirement of operational generation and stall new project development—an outcome ERCOT CEO Pablo Vegas has clearly stated the grid cannot afford.

**UNNECESSARY:** Grid reliability is already improving thanks to recent Legislative and PUCT reforms, the firming framework in HB 1500 that's already driving investor action, and strong solar and storage performance. ERCOT issued no conservation calls in 2024 or 2025, reserve margins are increasing, and peak-hour prices are declining.

**EXPENSIVE:** A nationally recognized consultancy projects \$1.6 billion in new annual costs for solar alone—costs that would balloon if applied retroactively and ultimately be borne by Texas ratepayers.

**BAD FOR BUSINESS:** SB 715 sends a troubling signal to investors: Texas is willing to change the rules midstream. This level of regulatory uncertainty discourages investment across energy and other capital-intensive industries—and likely explains the broad opposition from stakeholders.

**WORSE THAN BEFORE:** Like House Bill 3356 (Patterson), SB 715 is exceptionally punitive—riddled with carveouts, legal vulnerabilities, and market interference. It exempts aging, increasingly unreliable plants, disrupts existing investments, imposes unrealistic deadlines, and permits price caps that distort the competitive market.

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*SB 715 undermines grid reliability, deters investment, and raises costs for Texans.*

**Vote NO on SB 715!**