

## **REJECT CSHB 3356**

(Patterson)



# CSHB 3356 guts a 2023 compromise and is a direct attack on grid reliability and the interests of Texas ratepayers.

Last session, the Legislature passed forward-looking firming requirements for new generation. This bill undoes that progress with retroactive mandates—opening the state to costly litigation under the Texas Constitution, which offers even stronger protections against contract impairment than the U.S. Constitution.

#### **CSHB 3356 JEOPARDIZES:**

#### **AFFORDABILITY**

Firming requirements for new solar alone are projected to cost \$1.6 billion annually—a cost that will fall entirely on your constituents. Applying those mandates to existing projects will send costs soaring, with no corresponding benefit to reliability.

### **RELIABILITY**

ERCOT CEO Pablo Vegas warned in 2023 that firming mandates amount to a "tax" on generation—and emphasized that megawatts from all resources are critical to meeting surging load growth and supporting the Texas Miracle.

#### **INVESTMENT**

Thanks to recent legislative reforms and strong performance by solar and battery energy storage, ERCOT reliability has improved with zero conservation calls in 2024, growing reserve margins, and lower prices. This bill would reverse that progress for purely political reasons—and force generators to retire while discouraging new investment.

Don't be fooled: CSHB 3356 is worse than the bill as filed. The committee substitute:

- Keeps unconstitutional retroactive mandates
- Exempts aging thermal generators
- Requires solar to firm at night
- Strips ERCOT's authority to define firming hours

<u>THE BOTTOM LINE</u>: A vote for CSHB 3356 is a vote to raise electricity bills, remove power from the grid, and drive investment out of Texas.

**VOTE NO on CSHB 3356!**