

Senate Bill 715 (Sparks) mandates firming on a retroactive basis, impacting existing investments and reversing the policy that was broadly supported by the Legislature in House Bill 1500 last session (88R). **SB 715 threatens grid reliability, raises consumer costs, and disrupts a well-functioning market that is already adapting to meet system needs.**



## Did You Know?

In 2023, ERCOT CEO Pablo Vegas described firming as a “tax” on generation.

### Senate Bill 715 :

#### ✖ Discourages investments

Retroactive firming requirements would apply to **all existing electric generation assets in the ERCOT region**—not just new renewable energy facilities. By pulling the rug out from under investors who financed projects with the expectation that rules would remain stable, the state undermines regulatory certainty and discourages future investment.

#### ✖ Threatens grid reliability

This chilling signal to investors comes at a time when **Texas needs all available resources to meet rapid demand growth**, as ERCOT predicts power needs could nearly double by 2030.

#### ✖ Increases costs

An independent analysis estimates that **firming requirements could increase costs by up to \$1.6 billion** for solar generation *alone*. Applying these rules to aging thermal generators would further raise costs or force generators to exit the market altogether.

#### ✖ Disrupts the market

Market signals are driving the robust deployment of quick-responding, flexible resources to serve ever-changing demand patterns. In fact, over **30%** of battery projects in the ERCOT queue are co-located with another generation resource, showing **the market is working as intended**.

Imposing retroactive requirements could prompt significant legal challenges, as the **Texas Constitution** offers even stronger protections than the U.S. Constitution against laws that impair existing contracts.

# VOTE NO on Senate Bill 715!