



# My five cents...

A monthly column from Sen. Robert Nichols

by Sen. Robert Nichols, Senate District 3

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Next week, we celebrate our Independence Day on July 4<sup>th</sup>. Have a safe holiday and enjoy the fireworks!

Here are five things happening around your state:

## **1. Texas Energy Fund oversubscribed**

The Public Utility Commission of Texas announced this month that the newly created Texas Energy Fund (TEF) has received 125 notices of intent to apply for the In-ERCOT Generation Loan program. The notices request almost \$40 billion in financing for new dispatchable power generation projects. This indicates strong industry response and interest in the low-interest loan program created by the Legislature last year. The initial program was designed to provide low-interest financing for new construction or upgrades to existing dispatchable electric generating facilities in the ERCOT power region. Currently, the program only has \$5 billion available for its various programs. However, the intention of the Legislature was to fund the program in two stages, with an additional \$5 billion infusion next session, for a total of \$10 billion in new investment. The In-ERCOT Generation Loan Program is one of four TEF programs established by Senate Bill 2627 by Senator Schwertner. All four programs are designed to support the construction, maintenance, modernization, and operation of electric facilities in Texas both inside and outside the ERCOT power region.

## **2. Teacher Incentive Allotment funds roll out to schools**

This month, the Texas Education Agency (TEA) announced over \$290 million in Teacher Incentive Allotment funds have been awarded to almost 25,000 designated teachers. The program was created by House Bill 3 (86 Regular Session) in 2019 to provide top-performing teachers with an accessible pathway to a six-figure salary. Teachers earn designations from their district's designation system, or a National Board Certification, which generates extra funding for the district. This program incentivizes high-quality teachers to stay in the classroom while receiving better pay. Over 300 districts have fully implemented a TIA program, including many in East and Southeast Texas, and more are working through the rigorous process to implement a program. Programs like these are essential to achieving educational excellence in Texas.

## **3. Battleship Texas update**

The Battleship Texas is still undergoing extensive repairs before it can reopen to the public. Soon the ship will move to Pier A along the channel at Gulf Copper, where the next stage of restoration will take place. It will focus on deck replacement, painting, interior restorations, and the beginning stages of planning the new, onboard museum. While there is still a lot of work to be done before the ship can reopen, the Battleship Texas Foundation is hoping to reopen in 2025 or 2026 at its new home in Galveston. For more information, visit [BattleshipTexas.org](http://BattleshipTexas.org).

#### **4. Business and Commerce Committee interim hearing update**

The Senate Business and Commerce Committee met this month to discuss interim charges including electricity market design, transmitting Texas power, and the impact of Bitcoin mining on the Texas electric grid. The committee heard from officials at the Public Utility Commission, ERCOT, Office of Public Utility Counsel, the Independent Market Monitor, and industry representatives about how the implementation of changes made during the last legislative session are effecting the market. Additionally, the panel heard from Bitcoin miners regarding the industry's impact to the grid. Bitcoin mines can come online quickly and usually demand a large amount of electricity. The addition of large load to the grid can create scarcity within the market when grid conditions are tight. However, Bitcoin mines are considered "flexible load," meaning that they can reduce operations and thus reduce their electricity demand. The new market entrants faced skepticism from members about their operations during the hearing, especially considering the load growth projections the committee received from ERCOT. Over the next six years, ERCOT is projecting a possible addition of 40 gigawatts of load compared to last year's forecast of the same timeframe— a tremendous increase from last year. To meet that much demand, new generation will have to come on the market.

#### **5. Texas-based stock exchange in the works**

This month, the Texas Stock Exchange (TXSE) announced it had raised approximately \$120 million from investors to launch the new trading venture. The TXSE would be an alternative to the New York Stock Exchange and Nasdaq, which some view as too costly and overly regulated. The financing group, which includes BlackRock, Citadel Securities, and dozens of investors, plans to headquarter in Dallas. The TXSE founders said they chose Texas because of its explosive economic growth and population growth. Many large companies have relocated to Texas over the past decade and Texas continues to be a pro-business state.

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