



Texas Energy Fund

Frequently Asked Questions



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Document Overview

This document provides answers to Frequently Asked Questions (FAQs) for the Texas Energy Fund (TEF). This document will be regularly updated as new questions are raised and new program information is available.

What is the PUCT? What does the PUCT do?

The [Public Utility Commission of Texas \(PUCT\)](#) is the state agency responsible for economic regulation of Texas' electric, telecommunication, and water and wastewater utilities.

The PUCT oversees the state's competitive utility markets, implementing legislation and enforcing market rules that guarantee reliability and high-quality infrastructure, including oversight of the Electric Reliability Council of Texas (ERCOT), which runs the electric grid for 90% of Texas' power needs. Through rate regulation and consumer assistance, the PUCT ensures consumers across the state are treated fairly and receive the benefits of competitive markets.

What is the Texas Energy Fund (TEF)?

The TEF provides grants and loans to finance the construction, maintenance, modernization, and operation of electric facilities in Texas. The Texas Legislature passed [Senate Bill 2627](#), the Powering Texas Forward Act, to administer TEF, and Texans voted to create the TEF through a constitutional election on November 7, 2023.

What are the different TEF programs?

The Texas Energy Fund is administered through four programs, each of which provides funding opportunities for electric generation projects—both inside and outside of the ERCOT power region—through loans and grants. Each of the four programs is guided by a set of rules approved and adopted by the Commission, which are foundational to program administration. More information on the four programs can be found below:

In-ERCOT Generation Loan Program

The In-ERCOT Generation Loan Program provides low-interest loans to qualifying companies for the construction of new dispatchable electric generating facilities in the ERCOT power region or the expansion of existing facilities providing power to the ERCOT power region. Qualifying projects must add at least 100 MW of new dispatchable generation capacity to the ERCOT grid.

On March 21, 2024, the PUCT adopted [16 TAC §25.510](#), which establishes the application process, project eligibility requirements, evaluation criteria, and loan terms for the In-ERCOT Generation Loan Program.

Completion Bonus Grants Program

New, dispatchable electric generation facilities that meet certain planning requirements after June 1, 2023, and interconnect to the ERCOT power grid before June 1, 2029, may be eligible



for a Completion Bonus Grant through the TEF. To be eligible for a completion bonus grant, an applicant's new generating resources must provide at least 100 megawatts (MW) of new nameplate capacity in the ERCOT region, [among other criteria](#).

On April 25, 2024, the PUCT adopted [16 TAC §25.511](#), which establishes the application process, project eligibility requirements, and evaluation criteria for the Completion Bonus Grant Program.

Outside ERCOT Grant Program

The Outside ERCOT Grant Program will provide funding for transmission and distribution infrastructure or electric generating facilities in Texas outside of the ERCOT power region. Under this program, PUCT will award grants for the modernization of infrastructure, weatherization, reliability and resiliency enhancements, and vegetation management.

Texas Backup Power Package Program

The Texas Backup Power Package Program will provide grants and loans to qualifying entities to design, procure, or install backup power packages at facilities necessary to support community health, safety, and well-being. A backup power package is a stand-alone, behind-the-meter, multiday back up power source.

On January 14, 2024, the PUCT named members of the [Texas Backup Power Package Advisory Committee](#). The Committee is tasked to recommend criteria to the PUCT for backup power package grants. The Backup Power Package Advisory Committee will submit a recommendation report to the PUCT by October 1, 2024.

Who is eligible to apply to each program?

Eligibility requirements are different per program.

For In-ERCOT Loan Generation Program eligibility, refer to [16 TAC §25.510\(c\)](#).

For Completion Bonus Grants eligibility, refer to [16 TAC §25.511\(c\)](#).

Outside ERCOT Grants Program and Texas Backup Power Package eligibility information is not available at this time.

What are the key dates and deadlines for the TEF programs?

Key dates and application deadlines vary per program. You can find key dates and application deadlines on the [PUC website](#).

How do I learn more and apply to TEF programs?

Learn: The [PUC website](#) hosts information about each of the programs (e.g., program descriptions, links to rules, general FAQ).



Prepare to Apply: The [TEF Online](#) website hosts *application guidance* (e.g., user guides, policies & procedures, program-specific FAQ).

Upload and Submit Application: The [TEF Portal](#) hosts *the submission forms* for all program applications.

Who do I contact for more information?

For program information, questions, or assistance, contact the Texas Energy Fund support team by phone at 1-866-526-2269 or email at info@txenergyfund.texas.gov.