

By: Shaheen

H.B. No. 4397

A BILL TO BE ENTITLED

AN ACT

relating to a cybersecurity monitor for certain electric utilities.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter D, Chapter 39, Utilities Code, is amended by amending Section 39.1516 to read as follows:

Sec. 39.1516. CYBERSECURITY MONITOR. (a) In this section, "monitored utility" means:

(1) a transmission and distribution utility;

(2) a corporation described in Section 32.053;

(3) a municipally owned utility or electric cooperative that owns or operates equipment or facilities in the ERCOT power region to transmit electricity at 60 or more kilovolts;

~~or~~

(4) an electric utility, municipally owned utility, ~~or~~ electric cooperative, or power generation company that operates solely outside the ERCOT power region that has elected to participate under Subsection (d); or

(5) a power generation company

(b) The commission and the independent organization certified under Section 39.151 shall contract with an entity selected by the commission to act as the commission's cybersecurity monitor to:

(1) manage a comprehensive cybersecurity outreach program for monitored utilities;

1 (2) meet regularly with monitored utilities to discuss
2 emerging threats, best business practices, and training
3 opportunities;

4 (3) review self-assessments voluntarily disclosed by
5 monitored utilities of cybersecurity efforts;

6 (4) research and develop best business practices
7 regarding cybersecurity; and

8 (5) report to the commission on monitored utility
9 cybersecurity preparedness.

10 (c) The independent organization certified under Section
11 39.151 shall provide to the cybersecurity monitor any access,
12 information, support, and cooperation that the commission
13 determines is necessary for the monitor to perform the functions
14 described by Subsection (b). The independent organization shall
15 use funds from the fee authorized by Section 39.151(e) to pay for
16 the cybersecurity monitor's activities.

17 (d) An electric utility, municipally owned utility, ~~or~~
18 electric cooperative, or power generation company that operates
19 solely outside the ERCOT power region ~~may~~ shall elect to
20 participate in the cybersecurity monitor program or to discontinue
21 participation. The commission shall adopt rules establishing:

22 (1) procedures for an electric utility, municipally
23 owned utility, or electric cooperative to notify the commission,
24 the independent organization certified under Section 39.151, and
25 the cybersecurity monitor that the utility or cooperative elects to
26 participate or to discontinue participation; and

27 (2) a mechanism to require an electric utility,

1 municipally owned utility, or electric cooperative that elects to
2 participate to contribute to the costs incurred by the independent
3 organization under this section.

4 (e) The cybersecurity monitor shall operate under the
5 supervision and oversight of the commission.

6 (f) The commission shall adopt rules as necessary to
7 implement this section and ~~may shall~~ enforce the provisions of this
8 section in the manner provided by this title. ~~This section does not~~
9 ~~grant enforcement authority to the cybersecurity monitor or~~
10 ~~authorize the commission to delegate the commission's enforcement~~
11 ~~authority to the cybersecurity monitor. This section does not~~
12 ~~grant enforcement authority to the commission beyond authority~~
13 ~~explicitly provided for in this title.~~

14 (g) The staff of the cybersecurity monitor may communicate
15 with commission staff about any cybersecurity information without
16 restriction. Commission staff shall maintain the confidentiality
17 of the cybersecurity information. Notwithstanding any other law,
18 commission staff may not disclose information obtained under this
19 section in an open meeting or through a response to a public
20 information request.

21 (h) Information written, produced, collected, assembled, or
22 maintained under Subsection (b), (c), or (g) is confidential and
23 not subject to disclosure under Chapter 552, Government Code. A
24 governmental body is not required to conduct an open meeting under
25 Chapter 551, Government Code, to deliberate a matter described by
26 Subsection (b), (c), or (g).

27 SECTION 2. To the extent of any conflict, this Act prevails

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1 over another Act of the 87th Legislature, Regular Session, 2021,
2 relating to nonsubstantive additions to and corrections in enacted
3 codes.

4 SECTION 3. This Act takes effect September 1, 2021.