

By: Hancock

S.B. No. 1750

A BILL TO BE ENTITLED

1 AN ACT
2 relating to coordinating severe weather preparedness in critical
3 electric and natural gas infrastructure; authorizing an
4 administrative penalty.

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

6 SECTION 1. The legislature finds that Winter Storm Uri
7 revealed the interconnectedness of the gas and power industries in
8 the face of severe weather and resolves to protect the citizens of
9 Texas from similar events in the future by requiring coordinated
10 enforcement across relevant regulatory bodies.

11 SECTION 2. Subchapter A, Chapter 186, Utilities Code, is
12 amended by adding Section 186.0071 to read as follows:

13 Sec. 186.0071. WINTER WEATHER EMERGENCY PREPAREDNESS AND
14 COORDINATION. (a) In this section:

15 (1) "Coordinating agencies" means the Public Utility
16 Commission of Texas, the Railroad Commission of Texas, and the
17 Texas Division of Emergency Management.

18 (2) "Coordinated entities" means public utilities,
19 power generation companies, ERCOT, and entities engaged in the
20 production, transport, gathering, storage, or shipping of natural
21 gas.

22 (3) "ERCOT" means the Electric Reliability Council of
23 Texas.

24 (b) The Public Utility Commission of Texas and the Railroad

1 Commission of Texas shall each establish rules to require each
2 coordinated entity subject to their respective jurisdictions to
3 establish and submit a winter preparedness emergency operations
4 plan. The rules must require the winter preparedness emergency
5 operations plans to include:

- 6 (1) a plan that addresses severely cold weather;
- 7 (2) a plan that addresses any known critical failure
8 points, including any effects of weather design limits;
- 9 (3) a plan that addresses an emergency shortage of
10 water or other critical supplies;
- 11 (4) a plan for identification of potentially severe
12 weather events;
- 13 (5) a plan that addresses staffing during severe
14 weather events;
- 15 (6) curtailment priorities and procedures;
- 16 (7) priorities for recovery of operational capacity or
17 restoration of service, as applicable;
- 18 (8) identification of critical loads necessary to
19 maintain production of electricity or natural gas;
- 20 (9) a communications plan that describes the
21 procedures and threshold conditions for initiation of
22 communication about a potential severe weather event with the
23 coordinating agencies, other coordinated entities, ERCOT, the
24 public, the media, and customers; and
- 25 (10) an affidavit from an owner, partner, officer,
26 manager, or other official with responsibility for the entity's
27 operations affirming that all relevant operating personnel of the

1 entity are familiar with the contents of the emergency operations
2 plan and that such personnel are committed to following the plan
3 except to the extent deviations are appropriate under the
4 circumstances during the course of an emergency.

5 (c) The emergency operations plans may be combined or
6 coordinated with other preparedness reporting requirements,
7 including for other weather scenarios, natural disasters,
8 cybersecurity events, physical security events, and pandemics.

9 (d) The coordinating agencies shall jointly analyze
10 emergency operations plans developed by coordinated entities in
11 each even-numbered year and prepare a weather emergency
12 preparedness report on power generation and natural gas
13 weatherization preparedness. In preparing the report, the
14 coordinating agencies shall:

15 (1) review the emergency operations plans currently on
16 file with each of the coordinating agencies;

17 (2) analyze and determine the ability of the electric
18 grid and natural gas system to withstand extreme weather events in
19 the upcoming biennium;

20 (3) consider the anticipated weather patterns for the
21 upcoming biennium; and

22 (4) make recommendations on improving emergency
23 operations plans and procedures in order to ensure the continuity
24 of electric and natural gas service, including the identification
25 and definition of potentially appropriate weatherization and
26 emergency operations standards, which may differentiate between
27 existing and new facilities and may consider geography, suitable

1 alternatives, cost-effectiveness, and other practical constraints.

2 (e) A coordinating agency may require a coordinated entity
3 subject to its jurisdiction and this section to file an updated
4 emergency operations plan if the coordinating agency finds that an
5 emergency operations plan on file does not contain sufficient
6 information to determine whether the coordinated entity can provide
7 adequate services.

8 (f) Each coordinating agency may adopt rules relating to the
9 implementation of the report described by Subsection (d).

10 (g) The coordinating agencies shall submit the report
11 described by Subsection (d) to the lieutenant governor, the speaker
12 of the house of representatives, and the members of the legislature
13 not later than September 30 of each even-numbered year.

14 (h) The emergency operations plans submitted for the report
15 described by Subsection (d) are confidential under Chapters 418 and
16 552, Government Code, and other state or federal law. If portions
17 of a plan are directly referenced in the report described by
18 Subsection (d), such information shall be in a redacted form for
19 public inspection with the confidential portions removed. A
20 coordinated entity within the ERCOT power region shall provide the
21 entity's plan to ERCOT in its entirety, and ERCOT shall maintain the
22 confidentiality of the plan.

23 (i) The Public Utility Commission of Texas and the Railroad
24 Commission of Texas shall each notify coordinated entities under
25 their respective jurisdictions of any potential deficiencies in
26 their emergency operations plans, including winter weatherization
27 and emergency operations standards recommended by the coordinating

1 agencies. Each entity shall respond to such notice in writing
2 within 30 days.

3 (j) The Public Utility Commission of Texas and the Railroad
4 Commission of Texas may, after notice and opportunity for hearing,
5 impose an administrative penalty on entities subject to their
6 respective jurisdictions for failure to timely submit an emergency
7 operations plan or respond to a notice of potential deficiency.

8 SECTION 3. Section 186.007, Utilities Code, is repealed.

9 SECTION 4. Not later than January 1, 2022, the Public
10 Utility Commission of Texas and the Railroad Commission of Texas
11 shall adopt the rules required by Section 186.0071(b), Utilities
12 Code, as added by this Act.

13 SECTION 5. This Act takes effect September 1, 2021.