

By: Darby, Guillen, Hernandez, Slawson,
Burrows

H.B. No. 2848

Substitute the following for H.B. No. 2848:

By: Smithee

C.S.H.B. No. 2848

A BILL TO BE ENTITLED

AN ACT

relating to the approval of a certificate of public convenience and necessity for certain transmission projects.

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

SECTION 1. Section 37.056, Utilities Code, is amended by amending Subsections (c-1) and (d) and adding Subsections (d-1) and (d-2) to read as follows:

(c-1) In considering the need for additional service under Subsection (c)(2) for a reliability transmission project that serves the ERCOT power region, the commission must consider the historical load, forecasted load growth, and additional load currently seeking interconnection, including load for which the electric utility has yet to sign an interconnection agreement, as determined by the electric utility with the responsibility for serving the load.

(d) The commission by rule shall establish criteria, in addition to the criteria described by Subsection (c), for granting a certificate for a transmission project that serves the ERCOT power region, that is not necessary to meet state or federal reliability standards, and that is not included in a plan developed under Section 39.904(g). ~~[The criteria must include a comparison of the estimated cost of the transmission project for consumers and the estimated congestion cost savings for consumers that may result from the transmission project, considering both current and future~~

1 ~~expected congestion levels and the transmission project's ability~~
2 ~~to reduce those congestion levels.]~~ The commission shall include
3 with its decision on an application for a certificate to which this
4 subsection applies findings on the criteria. The criteria must:

5 (1) include a comparison of the estimated cost of the
6 transmission project to consumers and the estimated congestion cost
7 savings for consumers that may result from the project, considering
8 both current and expected congestion levels and the project's
9 ability to reduce those levels;

10 (2) address:

11 (A) other benefits of the transmission project,
12 including deferral of reliability upgrade costs, reduction of
13 transmission system losses, and reduction of operating reserve
14 costs;

15 (B) solutions to relieve generic transmission
16 constraints;

17 (C) potential for increasing transmission system
18 reliability, resiliency, and operational flexibility;

19 (D) potential for minimizing outage moratoria
20 and transmission system congestion by employing planning criteria
21 that include contingencies for a planned outage followed by an
22 unplanned outage under peak conditions; and

23 (E) the operational benefits and reduced impacts
24 on affected landowners of constructing new transmission lines
25 operating at or below 345 kilovolts as double circuit capable
26 lines;

27 (3) evaluate:

1 (A) the costs of the transmission project on a
2 levelized basis over the life of the project; and

3 (B) the benefits of the transmission project on a
4 levelized basis over the life of the project or the longest period
5 determined to be reasonable by the commission; and

6 (4) in high growth areas and areas experiencing or
7 expected to experience rapid growth in power demand, including
8 coastal regions, oil and gas producing, processing, or refining
9 regions, and semiconductor manufacturing regions, prioritize the
10 development of additional and sufficient transmission capacity to
11 provide flexibility to serve new load.

12 (d-1) For a transmission project described by Subsection
13 (d), the commission shall require all new transmission lines
14 operating at or below 345 kilovolts to be constructed as double
15 circuit capable lines unless the electric utility requests an
16 exception.

17 (d-2) For a transmission project described by Subsection
18 (d)(4), the applicant for the transmission project certificate
19 shall submit a copy of the application to the independent
20 organization certified under Section 39.151 for the ERCOT power
21 region. The independent organization shall review and provide the
22 commission with the organization's recommendations regarding the
23 application not later than the 90th day after the date the
24 application is received. If the organization fails to provide the
25 commission with its recommendations before the 91st day after the
26 date the application is received, the commission shall consider the
27 transmission project to be a project that meets the need for

1 additional service under this section.

2 SECTION 2. Section 37.057, Utilities Code, is amended to
3 read as follows:

4 Sec. 37.057. DEADLINE FOR APPLICATION FOR NEW TRANSMISSION
5 FACILITY. The commission must approve or deny an application for a
6 certificate for a new transmission facility not later than the
7 181st day after [~~the first anniversary of~~] the date the application
8 is filed. If the commission does not approve or deny the
9 application on or before that date, a party may seek a writ of
10 mandamus in a district court of Travis County to compel the
11 commission to decide on the application.

12 SECTION 3. The changes in law made by this Act apply only to
13 a proceeding affecting a certificate of public convenience and
14 necessity that commences on or after the effective date of this Act.
15 A proceeding affecting a certificate of public convenience and
16 necessity that commenced before the effective date of this Act is
17 governed by the law in effect on the date the proceeding is
18 commenced, and that law is continued in effect for that purpose.

19 SECTION 4. This Act takes effect immediately if it receives
20 a vote of two-thirds of all the members elected to each house, as
21 provided by Section 39, Article III, Texas Constitution. If this
22 Act does not receive the vote necessary for immediate effect, this
23 Act takes effect September 1, 2023.