

By: Goldman

H.B. No. 4276

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the amendment of a certificate of convenience and
3 necessity to provide electricity service to certain water control
4 and improvement districts.

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

6 SECTION 1. It is the intent of the legislature that this Act
7 ensure cost-effective and reliable operation in times of emergency
8 of critical water infrastructure operated by a water control and
9 improvement district.

10 SECTION 2. Subchapter B, Chapter 37, Utilities Code, is
11 amended by adding Section 37.062 to read as follows:

12 Sec. 37.062. AMENDMENT OF CERTIFICATE REQUESTED BY CERTAIN
13 WATER CONTROL AND IMPROVEMENT DISTRICTS. (a) In this section:

14 (1) "Consenting entity" means an electric utility that
15 consents to provide a water control and improvement district with
16 retail electric service.

17 (2) "District facility" means an existing or future
18 transmission-level power-consuming facility that is owned or will
19 be owned by a water control and improvement district.

20 (b) This section applies only to a water control and
21 improvement district that:

22 (1) owns or will own a district facility in an area
23 certificated by an electric cooperative to provide retail electric
24 service; and

1 (2) has a service area in 10 counties or more.

2 (c) Notwithstanding any other provision of this chapter, on
3 the request of a water control and improvement district in an area
4 certificated by an electric cooperative whose wholesale power
5 purchase agreement has previously been interrupted by the
6 bankruptcy of its wholesale power supplier, a consenting entity may
7 apply to the commission to amend its certificate to allow the
8 consenting entity to provide retail electric service at
9 transmission voltage to a district facility if the consenting
10 entity is already certificated on the date the application is filed
11 to provide transmission service to a location that is not more than
12 10 miles from the district facility.

13 (d) The commission shall approve an application received
14 under Subsection (c) not later than the 45th day after the date a
15 complete application is filed and amend the consenting entity's
16 certificate to include the locations of the district facilities
17 identified in the application, making those facilities multiply
18 certificated by the consenting entity and the electric cooperative
19 referenced in Subsection (b)(1).

20 (e) The consent of an electric cooperative referenced in
21 Subsection (b)(1) is not required for the commission to approve an
22 application filed under Subsection (c).

23 (f) Section 37.056(c) does not apply to an application filed
24 under Subsection (c).

25 (g) A water control and improvement district that requests
26 retail electric service from a consenting entity who files an
27 application under this section that is approved by the commission

1 is:

2 (1) responsible for paying the construction costs of
3 any new transmission facilities required to interconnect the
4 district facilities identified in the application to the ERCOT
5 transmission system if those costs are not otherwise recoverable in
6 the consenting entity's wholesale transmission rates;

7 (2) responsible for any nonbypassable charges and
8 other amounts that the district is contractually obligated to pay
9 to the electric cooperative that provided retail electric service
10 to the district on the date the application was filed, if
11 applicable; and

12 (3) subject to the relevant provisions of 16 T.A.C.
13 Section 25.27.

14 (h) If the commission approves an application under this
15 section, the commission may not approve another application
16 regarding any district facility included in the approved
17 application.

18 SECTION 3. This Act takes effect September 1, 2023.