

AN ACT

relating to electricity service in areas of this state with a need for transmission projects.

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

SECTION 1. Sections 37.056(c) and (c-1), Utilities Code, are amended to read as follows:

(c) The commission shall grant each certificate on a nondiscriminatory basis after considering:

(1) the adequacy of existing service;

(2) the need for additional service;

(3) the effect of granting the certificate on the recipient of the certificate and any electric utility serving the proximate area; and

(4) other factors, such as:

(A) community values;

(B) recreational and park areas;

(C) historical and aesthetic values;

(D) environmental integrity;

(E) the probable improvement of service or lowering of cost to consumers in the area if the certificate is granted, including any potential economic or reliability benefits associated with dual fuel and fuel storage capabilities in areas outside the ERCOT power region; and

(F) the need for extending transmission service

1 where existing or projected electrical loads will be underserved,
2 including where:

3 (i) the existing transmission service is
4 unreasonably remote;

5 (ii) the available capacity is unreasonably
6 limited at transmission or distribution voltage level; or

7 (iii) the electrical load cannot be
8 interconnected in a timely manner [~~to the extent applicable, the~~
9 ~~effect of granting the certificate on the ability of this state to~~
10 ~~meet the goal established by Section 39.904(a) of this title].~~

11 (c-1) In considering the need for additional service under
12 Subsection (c)(2) for a reliability transmission project that
13 serves the ERCOT power region or under Subsection (c)(4)(F), the
14 commission must consider the historical load, forecasted load
15 growth, and additional load currently seeking interconnection,
16 including load for which the electric utility has yet to sign an
17 interconnection agreement, as determined by the electric utility
18 with the responsibility for serving the load.

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

21 Sec. 37.057. DEADLINE FOR APPLICATION FOR NEW TRANSMISSION
22 FACILITY. The commission must approve or deny an application for a
23 certificate for a new transmission facility not later than the
24 180th day after [~~the first anniversary of~~] the date the application
25 is filed. If the commission does not approve or deny the
26 application on or before that date, a party may seek a writ of
27 mandamus in a district court of Travis County to compel the

1 commission to decide on the application.

2 SECTION 3. Subchapter D, Chapter 39, Utilities Code, is
3 amended by adding Sections 39.166 and 39.167 to read as follows:

4 Sec. 39.166. RELIABILITY PLAN FOR REGIONS WITH RAPID
5 ELECTRICAL LOAD GROWTH. (a) The commission shall direct the
6 independent organization certified under Section 39.151 for the
7 ERCOT power region to:

8 (1) identify each region in which transmission
9 capacity is insufficient to meet the region's existing and
10 forecasted electrical load, as reasonably determined by the
11 certificated transmission service provider; and

12 (2) develop a reliability plan to serve existing and
13 forecasted electrical load in the identified region.

14 (b) The commission shall develop a plan to implement each
15 reliability plan adopted under Subsection (a) to ensure timely
16 development and approval of necessary transmission service
17 improvements.

18 Sec. 39.167. RELIABILITY PLAN FOR PERMIAN BASIN. (a) Not
19 later than January 30, 2024, the commission shall direct the
20 independent organization certified under Section 39.151 for the
21 ERCOT power region to develop a reliability plan under Section
22 39.166 for the Permian Basin region.

23 (b) The plan must:

24 (1) address extending transmission service to areas
25 where mineral resources have been found;

26 (2) address increasing available capacity to meet
27 forecasted load; and

1 (3) provide available infrastructure to reduce
2 interconnection times in areas without access to transmission
3 service.

4 (c) This section expires September 1, 2025.

5 SECTION 4. The changes in law made by this Act apply only to
6 a proceeding affecting a certificate of public convenience and
7 necessity that commences on or after the effective date of this Act.
8 A proceeding affecting a certificate of public convenience and
9 necessity that commenced before the effective date of this Act is
10 governed by the law in effect on the date the proceeding is
11 commenced, and that law is continued in effect for that purpose.

12 SECTION 5. This Act takes effect immediately if it receives
13 a vote of two-thirds of all the members elected to each house, as
14 provided by Section 39, Article III, Texas Constitution. If this
15 Act does not receive the vote necessary for immediate effect, this
16 Act takes effect September 1, 2023.

President of the Senate

Speaker of the House

I certify that H.B. No. 5066 was passed by the House on May 6, 2023, by the following vote: Yeas 135, Nays 0, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 5066 on May 25, 2023, by the following vote: Yeas 139, Nays 3, 3 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 5066 was passed by the Senate, with amendments, on May 21, 2023, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor