

By: Schwertner

S.B. No. 1296

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 Subsection (d) and adding Subsection (d-1) to read as follows:

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

(1) include a comparison of the estimated cost of the transmission project to consumers and the estimated congestion cost savings for consumers that may result from the project, considering both current and expected congestion levels and the project's

1 ability to reduce those levels;

2 (2) address:

3 (A) other benefits of the transmission project,
4 including deferral of reliability upgrade costs, reduction of
5 transmission system losses, and reduction of operating reserve
6 costs;

7 (B) solutions to relieve generic transmission
8 constraints;

9 (C) potential for increasing transmission system
10 reliability, resiliency, and operational flexibility;

11 (D) potential for minimizing outage moratoria
12 and transmission system congestion by employing planning criteria
13 that include contingencies for a planned outage followed by an
14 unplanned outage under peak conditions; and

15 (E) the operational benefits and reduced impacts
16 on affected landowners of constructing new transmission lines
17 operating below 345 kilovolts as double circuit capable lines;

18 (3) evaluate:

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

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

24 (4) for high growth areas and areas experiencing rapid
25 growth in power demand, including coastal port areas, oil and gas
26 producing and processing areas, and the Lower Rio Grande Valley:

27 (A) consider loads under signed interconnection

1 agreements with the transmission service provider and the
2 transmission service provider's forecast of high confidence load
3 that is not under a signed interconnection agreement; and

4 (B) prioritize the addition of load serving
5 capability onto the transmission system in order to serve load
6 growth in a timely fashion.

7 (d-1) For a transmission project described by Subsection
8 (d), the commission shall require all new transmission lines
9 operating at 345 kilovolts to be constructed as double circuit
10 capable lines unless the electric utility requests an exception.

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

13 Sec. 37.057. DEADLINE FOR APPLICATION FOR NEW TRANSMISSION
14 FACILITY. The commission must approve or deny an application for a
15 certificate for a new transmission facility not later than the
16 181st day after ~~[the first anniversary of]~~ the date the application
17 is filed. If the commission does not approve or deny the
18 application on or before that date, a party may seek a writ of
19 mandamus in a district court of Travis County to compel the
20 commission to decide on the application.

21 SECTION 3. The changes in law made by this Act apply only to
22 a proceeding affecting a certificate of public convenience and
23 necessity that commences on or after the effective date of this Act.
24 A proceeding affecting a certificate of public convenience and
25 necessity that commenced before the effective date of this Act is
26 governed by the law in effect on the date the proceeding is
27 commenced, and that law is continued in effect for that purpose.

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