

## **BILL ANALYSIS**

C.S.H.B. 3005  
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Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Under current law, the Commission is required to take enforcement action against a utility if any feeder with 10 or more customers appears on the utility's list of worst 10 percent performing feeders for any two consecutive years, or has had a SAIDI (system-average interruption duration index) or SAIFI (system-average interruption frequency index) average that is more than 300 percent greater than the system average of all feeders during any two year period.

As proposed, C.S.H.B. 3005 would make an enforcement action by the Public Utility Commission of Texas (PUC) discretionary with the agency, would remove the "worst 10 percent performing feeders" criteria, but retain the 300 percent SAIDI or SAIFI criteria. It is believed that these changes will continue to address the worst performing feeders, but will also eliminate time-consuming and unproductive enforcement actions, promote collaborative efforts between the utilities and PUC Staff to discuss and address pertinent reliability issues, the utilities' corrective actions, and other programs being undertaken to improve feeder performance.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

SECTION 1. Amends Section 38.005(b), Utilities Code, as follows:

Replaces the word "shall" with the word "may". Removes the reference to the worst 10 percent performing feeders.

SECTION 2. Effective date: upon passage or on September 1, 2007.

### **EFFECTIVE DATE**

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2007.

### **COMPARISON OF ORIGINAL TO SUBSTITUTE**

CSHB 3005 puts the original language in HB 3005 into Legislative Council Language. There are no substantive changes.