

By: Solomons

H.B. No. 2421

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the governing body of an independent organization for a
3 power region.

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

5 SECTION 1. Section 39.151, Utilities Code, is amended by
6 amending Subsection (g), to read as follows:

7 (g) To maintain certification as an independent
8 organization under this section, the organization must operate a
9 regional electrical network that is contained wholly within the
10 borders of the State of Texas. Such an organization's governing
11 body must be composed of persons specified by this section and
12 selected in accordance with formal bylaws or protocols of the
13 organization. The bylaws or protocols must be approved by the
14 commission and must reflect the input of the commission. The
15 bylaws must ~~specify the process by which appropriate stakeholders~~
16 ~~elect members and, for unaffiliated members,~~ prescribe the
17 professional qualifications necessary for selection as a member of
18 the organization and. ~~The~~ bylaws must require the use of a
19 professional search firm to identify candidates for membership of
20 unaffiliated members. The process must allow for commission input
21 in identifying candidates. The governing body must be composed of:

22 (1) the ~~chairman~~ three sitting commissioners of the commission
23 as ~~an~~ ex officio nonvoting members;

24 (2) the counsellor as an ex officio voting member representing

1 residential and small commercial consumer interests;

2 (3) the chief executive officer of the independent organization as
3 an ex officio voting member;

4 ~~(4) six market participants elected by their respective market
5 segments to serve one-year terms, with:~~

6 ~~(A) one representing independent generators;~~

7 ~~(B) one representing investor-owned utilities;~~

8 ~~(C) one representing power marketers;~~

9 ~~(D) one representing retail electric providers;~~

10 ~~(E) one representing municipally owned utilities; and~~

11 ~~(F) one representing electric cooperatives;~~

12 ~~(5)~~ one member representing industrial consumer interests and
13 elected by the industrial consumer market segment to serve a
14 one-year term;

15 (6) one member representing large commercial consumer interests
16 selected in accordance with the bylaws to serve a one-year term; and

17 (7) ~~five~~ nine members unaffiliated with any market segment and
18 selected by the other members of the governing body to serve
19 three-year terms.

20 SECTION 2. An independent organization certified by the
21 commission before September 1, 2009, shall modify the
22 organization's governing body to comply with Section 39.151(g),
23 Utilities Code, as amended by this Act no later than September 1,
24 2010. On or after September 1, 2010, the commission may decertify an
25 independent organization whose governing body does not comply with
26 Section 39.151(g), Utilities Code, as amended by this Act.

27 SECTION 3. This Act takes effect September 1, 2009.