

By: Lucio III

H.B. No. 4641

A BILL TO BE ENTITLED

AN ACT

relating to the deployment of advanced electric distribution networks.

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

SECTION 1. Subchapter C, Chapter 39, Utilities Code, is amended by adding Section 39.1075 to read as follows:

Sec. 39.1075. ENHANCED ELECTRIC DISTRIBUTION NETWORKS; PILOT PROGRAM. (a) In this section, "enhanced electric distribution network" means a two-way communication system and associated equipment and software that provides real-time monitoring, diagnostics, and control of electric distribution lines and other components for an electric delivery system, designed to improve the efficiency and reliability of the electric delivery system and to facilitate storm recovery.

(b) Not later than December 1, 2009, each electric utility shall file with the commission a plan to establish a pilot program to study the cost-effectiveness of deploying an enhanced electric distribution network. The commission shall approve or modify a plan filed under this section not later than May 1, 2010.

(c) A plan filed with the commission under this section must include a proposal for the treatment of incremental program costs. Subject to commission approval, the incremental program costs are recoverable as reasonable and necessary costs under Section 39.107(h).

1        (d) At a minimum, a pilot program under this section must:

2                (1) use advanced technology to operate an integrated  
3 grid network communication system;

4                (2) operate in a specific geographic area; and

5                (3) remain in operation for at least six months.

6        (e) Not later than January 1, 2011, each electric utility  
7 shall file with the commission a report on the results of the  
8 electric utility's pilot program.

9        (f) This section does not require an electric utility to  
10 conduct or complete a pilot program before implementing a permanent  
11 or long-term enhanced electric distribution network project.

12        (g) To the extent practicable, an electric utility shall  
13 obtain federal funds to support a pilot program under this section,  
14 including funds from the American Recovery and Reinvestment Act of  
15 2009 (Pub. L. No. 111-5) or the Energy Independence and Security Act  
16 of 2007 (Pub. L. No. 110-140).

17        (h) This section expires September 2, 2011.

18        SECTION 2. This Act takes effect immediately if it receives  
19 a vote of two-thirds of all the members elected to each house, as  
20 provided by Section 39, Article III, Texas Constitution. If this  
21 Act does not receive the vote necessary for immediate effect, this  
22 Act takes effect September 1, 2009.