

By: Fraser

S.B. No. 1700

A BILL TO BE ENTITLED

1 AN ACT  
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) and adding new Subsections (g-2) and (g-3)  
7 to read as follows:

8 (g) To maintain certification as an independent  
9 organization under this section, an organization's governing body  
10 must be composed of persons specified by this section and selected  
11 in accordance with formal bylaws or protocols of the organization.  
12 The bylaws or protocols must be approved by the commission and must  
13 reflect the input of the commission and the commission may modify  
14 the bylaws. The bylaws must [~~specify the process by which~~  
15 ~~appropriate stakeholders elect members and, for unaffiliated~~  
16 ~~members,~~] prescribe professional qualifications for unaffiliated  
17 members. The bylaws must require the use of a professional search  
18 firm to identify candidates for membership of unaffiliated members.  
19 The process must allow for commission input in identifying  
20 candidates. The governing body must be composed of:

21 (1) the chairman of the commission as an ex officio  
22 nonvoting member;

23 (2) the counselor as an ex officio voting member  
24 representing residential and small commercial consumer interests;

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

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

5 [(A) ~~one representing independent generators,~~

6 [(B) ~~one representing investor owned utilities,~~

7 [(C) ~~one representing power marketers,~~

8 [(D) ~~one representing retail electric provider,~~

9 [(E) ~~one representing municipally owned~~  
10 ~~utilities, and~~

11 [(F) ~~one representing electric cooperatives,~~

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

15 [(6) ~~one member representing large commercial~~  
16 ~~consumer interests selected in accordance with the bylaws the serve~~  
17 ~~a one year term, and~~

18 ~~(7)]~~ eight [~~five~~] members unaffiliated with any market  
19 segment and selected by the other members of the governing body to  
20 serve three-year terms. Unaffiliated directors may not serve more  
21 than three consecutive terms.

22 (h) The commission may remove an unaffiliated member for  
23 failing to impartially and adequately discharge the duties of the  
24 member.

25 (i) The chairman of the commission and the executive  
26 director of the commission, or the executive director's designee,  
27 shall be permitted to attend any executive session of the governing

1 body. The executive director, or his designee, may communicate  
2 matters discussed in an executive session of the governing body  
3 with the other commissioners.

4 SECTION 2. This Act takes effect September 1, 2009.