

By: Turner

H.B. No. 1986

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the authority of the Public Utility Commission of Texas
3 to ensure the Electric Reliability Council of Texas has adequate
4 reserve power to prevent blackout conditions.

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

6 SECTION 1. Subchapter D, Chapter 39, Utilities Code, is
7 amended by adding Section 39.159 to read as follows:

8 Sec. 39.159. ENSURING RESERVE POWER CAPACITY. (a) The
9 commission by rule shall develop a process for obtaining emergency
10 reserve power generation capacity as appropriate to prevent
11 blackout conditions caused by shortages of generated power in the
12 ERCOT power region. The rules must provide parameters for
13 estimating the amount of emergency reserve power generation
14 capacity necessary to prevent blackout conditions and mechanisms
15 for equitably sharing the costs of contracting for the reserve
16 capacity to be available and the costs of generated power provided
17 to prevent blackout conditions.

18 (b) In accordance with rules adopted under Subsection (a),
19 an independent organization certified under Section 39.151 shall
20 contract with power generation companies for a defined amount of
21 emergency reserve power generation capacity the organization may
22 call on to prevent blackouts caused by shortages of generated
23 power.

24 (c) Before the independent organization calls on the

1 emergency reserve power generation capacity to prevent blackout
2 conditions, the organization shall undertake to use all market
3 sources of power and demand reduction available in accordance with
4 commission rules adopted under this section.

5 SECTION 2. This Act takes effect immediately if it receives
6 a vote of two-thirds of all the members elected to each house, as
7 provided by Section 39, Article III, Texas Constitution. If this
8 Act does not receive the vote necessary for immediate effect, this
9 Act takes effect September 1, 2011.