

BILL ANALYSIS

Senate Research Center

S.B. 349
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Business & Commerce
7/16/2013
Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Section 181.045 (Standards for Construction, Operation, and Maintenance of Lines), Utilities Code, requires that both electric transmission and electric distribution lines be constructed with clearance heights that meet the standards of the National Electrical Safety Code (NESC). In addition, Section 181.045(b) sets a specific clearance height, for transmission lines only, of 22 feet. For decades, electric utilities, co-ops, and municipally owned utilities have followed NESC clearance height standards for transmission and distribution lines, while also following the 22-foot clearance standard in Section 181.045(b) for transmission lines.

A recent Texas Supreme Court decision applied the 22-foot transmission line clearance standard in Section 181.045(b) to distribution lines as well, and this opinion would by its terms apply to all distribution lines in Texas. As a result, tens of thousands of miles of distribution lines will be viewed as non-compliant with the statute, despite following NESC standards.

S.B. 349 amends Section 181.041 (Definitions), Utilities Code, to add separate and distinct definitions of transmission and distribution lines, and amends Section 181.045(a), Utilities Code, to add terminology describing each type of line that is consistent with the new definitions. These amendments make clear that the 22-foot clearance height provided in Section 181.045(b) applies only to transmission lines, while both transmission and distribution lines remain subject to the clearance height standards established by the NESC. The amendments provide for continued safe and reliable operation of the electrical system without costly rate hikes to Texas customers.

S.B. 349 amends current law relating to standards for power lines.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 181.041, Utilities Code, by adding Subdivisions (3) and (4) to define "distribution line" and "transmission line."

SECTION 2. Amends Section 181.045(a), Utilities Code, as follows:

- (a) Requires a municipal electric utility to construct, operate, and maintain its transmission lines and distribution lines, rather than its lines for the transmission and distribution of electric energy, along highways and at other places in accordance with the national electrical safety code. Requires an electric utility that is not a municipal electric utility, with regard to clearances, to construct, operate, and maintain its transmission lines and distribution lines, rather than its lines for the transmission and distribution of electric energy, along highways and at other places in accordance with the national electrical safety code.

SECTION 3. Effective date: upon passage or September 1, 2013.