

By: Watson

S.B. No. 1280

A BILL TO BE ENTITLED

AN ACT

relating to attaining reserve capacity margins in power regions to meet expected peak demand.

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

SECTION 1. Subchapter D, Chapter 39, Utilities Code, is amended by adding Section 39.161 to read as follows:

Sec. 39.161. POWER REGION RESERVE MARGIN. (a) Not later than June 1 of each year, the independent organization certified under Section 39.151 for each power region shall study and project for the following year the:

(1) anticipated and installed generation capacity located in or capable of delivering electricity to the power region;

(2) expected peak demand in the power region; and

(3) amount of reserve capacity necessary to maintain a 1 in 10 reliability standard in the power region.

(b) If the independent organization determines under Subsection (a) that the amount of reserve capacity available for the following year will not maintain the reliability standard relative to the expected peak demand, the organization shall attain peak demand through voluntary load participation programs, with at least 20 percent of the peak demand being attained from each of the following classes:

(1) residential;

1                   (2) commercial; and

2                   (3) industrial.

3           SECTION 2. This Act takes effect September 1, 2013.