

By: Parker

H.B. No. 3552

A BILL TO BE ENTITLED

AN ACT

relating to enhancing the security of the electric grid, making an appropriation.

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

SECTION 1. Subchapter Z, Chapter 39, Utilities Code, is amended by adding Section 39.918 to read as follows:

Sec. 39.918. ELECTRIC GRID SECURITY GRANT PROGRAM.

(a) The commission shall establish a grant program to increase the security of electric grid in the ERCOT. Eligible expenses of the program include:

(1) audits related to security of the electric grid and associated computer systems and networks conducted by independent security experts for transmission and distribution utilities, independent organizations certified by the commission under Section 39.151, electric cooperatives, river authorities, and municipally owned utilities operating in the ERCOT power region;

(2) reimbursement of investments or expenses made by transmission and distribution utilities, independent organizations certified by the commission under Section 39.151, electric cooperatives, river authorities, and municipally owned utilities operating in the ERCOT power region to implement measures recommended by the Electric Grid Security Advisory Committee or to implement recommendations made in an audit conducted pursuant to

1 paragraph (1) of this subsection;

2 (3) expenses incurred by the Electric Grid Security  
3 Advisory Committee related to the retention of consultants or other  
4 experts determined to be necessary to assist the committee in  
5 performing its duties;

6 (4) reimbursement to a member of the Electric Grid  
7 Security Advisory Committee for travel expenses; and

8 (5) reimbursement of costs incurred by the commission  
9 in administering this section;

10 (b) Entities other than the commission seeking  
11 reimbursement from the grant program shall provide adequate  
12 documentation to the Electric Grid Security Advisory Committee to  
13 demonstrate the eligibility of the expense for reimbursement under  
14 this section. The commission shall authorize reimbursement of  
15 eligible expenses upon receipt of a certification from the Electric  
16 Grid Security Advisory Committee that the expenditures are eligible  
17 under this section within 5 business days of receipt of a valid  
18 certification.

19 (c) The commission shall quarterly report the total amount  
20 of reimbursement by the categories listed in subsection (a) to the  
21 governor, lieutenant governor, and speaker of the house of  
22 representatives.

23 (d) Nothing in this section is intended to prevent  
24 transmission and distribution utilities, independent organizations  
25 certified by the commission under Section 39.151, electric  
26 cooperatives, river authorities, and municipally owned utilities  
27 from continuing their ongoing efforts to secure electric facilities

1 from physical and cyber security threats, including incurring  
2 reasonable and necessary expenditures related to those efforts and  
3 seeking recovery as authorized by this title.

4 (e) The Public Utility Commission of Texas may conduct a  
5 closed meeting under Chapter 551, Government Code to discuss the  
6 findings of the Electric Grid Security Advisory Committee, programs  
7 required by this section, and other issues related to the security  
8 of the electric grid and associated computer system and networks.

9 SECTION 2. In addition to other appropriations made by the  
10 84th Legislature, Regular Session, 2015, the amount of \$25 million  
11 is appropriated from the general revenue fund to the Public Utility  
12 Commission for the purposes of Section 39.918, Utilities Code, as  
13 added by this Act for the period beginning on the effective date of  
14 this Act and ending August 31, 2017.

15 SECTION 3. The enactment of this act is contingent upon the  
16 passage of House Bill 2289 of the 84th Legislature, Regular  
17 Session, 2015, or similar legislation that creates the Electric  
18 Grid Security Advisory Committee. If neither House Bill 2289 or  
19 similar legislation is enacted by the 84th Legislature, then this  
20 act does not take effect.

21 SECTION 4. This Act takes effect immediately if it receives  
22 a vote of two-thirds of all the members elected to each house, as  
23 provided by Section 39, Article III, Texas Constitution. If this  
24 Act does not receive the vote necessary for immediate effect, this  
25 Act takes effect September 1, 2015.