1-1 By: Fraser S.B. No. 932 (In the Senate - Filed March 4, 2015; March 9, 2015, read first time and referred to Committee on Natural Resources and Economic Development; March 18, 2015, reported favorably by the 1-2 1-3 1-4 following vote: Yeas 8, Nays 0; March 18, 2015, sent to printer.)

1-6 COMMITTEE VOTE

1-7		Yea	Nay	Absent	PNV
1-8	Fraser	X	<u>*</u>		,
1-9	Estes	X			
1-10	Birdwell	X			,
1-11	Hall	X			,
1-12	Hancock			X	,
1-13	Hinojosa			X	
1-14	Lucio	X			
1-15	Nichols	X			,
1-16	Seliger	X			,
1-17	Uresti			X	,
1-18	Zaffirini	X			,

A BILL TO BE ENTITLED 1-19 1-20 AN ACT

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1-60 1-61 relating to the authority of the Public Utility Commission of Texas to retain assistance for federal proceedings affecting certain electric utilities and consumers.

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

SECTION 1. Subchapter I, Chapter 39, Utilities Code, is amended by adding Section 39.408 to read as follows:

Sec. 39.408. HIRING ASSISTANCE FOR FEDERAL PROCEEDINGS.

(a) The commission may retain any consultant, accountant, auditor, engineer, or attorney the commission considers necessary to represent the commission in a proceeding before the Federal Energy Regulatory Commission, or before a court reviewing proceedings of that federal commission, related to:

(1) the relationship of an electric utility subject to

subchapter to a power region, regional transmission

organization, or independent system operator;

(2) the approval of an agreement among the electric utility and the electric utility's affiliates concerning the coordination of the operations of the electric utility and the electric utility's affiliates; or

(3) other matters related to the electric utility subject to this subchapter that may affect the ultimate rates paid by retail customers in this state.

(b) Assistance for which a consultant, accountant, auditor,

engineer, or attorney may be retained under Subsection (a) may include:

<u>(</u>1) conducting a study;

- conducting an investigation;
 presenting evidence;
- (4) advising the commission; or
- (5) representing the commission.

(c) The electric utility shall pay timely the reasonable costs of the services of a person retained under Subsection (a), as determined by the commission. The total costs an electric utility is required to pay under this subsection may not exceed \$1.5 million

in a 12-month period.

(d) The commission shall allow the electric utility to recover both the total costs the electric utility paid under Subsection (c) and the carrying charges for those costs through a rider established annually to recover the costs paid and carrying charges incurred during the preceding calendar year. The rider may not be implemented before the rider is reviewed and approved by the

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commission.

(e) The commission shall consult the attorney before the commission retains a consultant, accountant, auditor, or engineer under Subsection (a). The retention of an attorney under Subsection (a) is subject to the approval of the attorney general under Section 402.0212, Government Code.

The commission shall be precluded from engaging individual who is required to register under Section 305.003,

Government Code. 2-9 2**-**10 2**-**11

(g) This section expires September 1, 2023. SECTION 2. Section 39.4525, Utilities Code, is amended by amending Subsections (a) and (g) to read as follows:

- (a) The commission may retain any consultant, accountant, auditor, engineer, or attorney the commission considers necessary to represent the commission in a proceeding before the Federal Energy Regulatory Commission, or before a court reviewing proceedings of that federal commission, related to:
- (1) the relationship of an electric utility subject to this subchapter to a power region, regional transmission organization, or independent system operator; [ar]
- (2) the approval of an agreement among the electric utility and the electric utility's affiliates concerning the coordination of the operations of the electric utility and the electric utility's affiliates; or
- (3) other matters related to the electric utility subject to this subchapter that may affect the ultimate rates paid by retail customers in this state.
- (g) This section expires September 1, 2023 [December 31,

SECTION 3. Subchapter K, Chapter 39, Util amended by adding Section 39.504 to read as follows: Utilities Code, is

- PROCEEDINGS. Sec. 39.504. HIRING ASSISTANCE FOR FEDERAL (a) The commission may retain any consultant, accountant, auditor, engineer, or attorney the commission considers necessary to represent the commission in a proceeding before the Federal Energy Regulatory Commission, or before a court reviewing proceedings of that federal commission, related to:
- (1) the relationship of an electric utility subject to this subchapter to a power region, regional transmission organization, or independent system operator;

 (2) the approval of an agreement among the electric
- utility and the electric utility's affiliates concerning the coordination of the operations of the electric utility and the electric utility's affiliates; or
- (3) other matters related to the electric utility subject to this subchapter that may affect the ultimate rates paid by retail customers in this state.
- (b) Assistance for which a consultant, accountant, auditor, engineer, or attorney may be retained under Subsection (a) may include:
 - conducting a study;
 - (2) conducting an investigation;
 - presenting evidence; (3)
 - (4) advising the commission; or
- (5) representing the commission.
 The electric utility shall pay timely the reasonable costs of the services of a person retained under Subsection (a), as determined by the commission. The total costs an electric utility is required to pay under this subsection may not exceed \$1.5 million
- 12-month period.
 (d) The commission shall allow the electric utility recover both the total costs the electric utility paid under Subsection (c) and the carrying charges for those costs through a rider established annually to recover the costs paid and carrying charges incurred during the preceding calendar year. The rider may not be implemented before the rider is reviewed and approved by the
- commission.

 (e) The commission shall consult the attorney general before the commission retains a consultant, accountant, auditor, or

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3-1	engineer under Subsection (a). The retention of an attorney under
	Subsection (a) is subject to the approval of the attorney general
3 - 3	under Section 402.0212, Government Code.
3-4	(f) The commission shall be precluded from engaging any
3 - 5	individual who is required to register under Section 305.003,
	Government Code.
3 - 7	(g) This section expires September 1, 2023.
3 - 8	SECTION 4. This Act takes effect September 1, 2015.
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