

By: Parker

H.B. No. 788

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 PROGRAM. (a) In this section, "committee" means the electric grid security advisory committee.

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

(1) an audit related to security of the electric grid and associated computer systems and networks conducted by:

(A) an independent security expert for a transmission and distribution utility;

(B) an independent organization certified under Section 39.151;

(C) an electric cooperative;

(D) a river authority; or

(E) a municipally owned utility operating in ERCOT;

(2) reimbursement of investments or expenses made to implement measures recommended by the committee or to implement

1 recommendations made in an audit described by Subdivision (1);

2 (3) an expense incurred by the committee related to
3 the retention of consultants or other necessary experts to assist
4 the committee in performing the committee's duties;

5 (4) reimbursement to a member of the committee for
6 travel expenses; and

7 (5) reimbursement of costs incurred by the commission
8 in administering this section.

9 (c) Entities other than the commission seeking
10 reimbursement from the program must provide adequate documentation
11 to the committee to demonstrate that the expense is eligible for
12 reimbursement under this section. The commission shall authorize
13 reimbursement of eligible expenses not later than five business
14 days after receipt of a certification from the committee that the
15 expenditures are eligible under this section.

16 (d) Each quarter, the commission shall report the total
17 amount paid for each category of expenses listed in Subsection (b)
18 to the governor, the lieutenant governor, and the speaker of the
19 house of representatives.

20 (e) This section does not prevent any recovery authorized
21 under this title for reasonable and necessary costs incurred in
22 relation to ongoing efforts to secure electric facilities from
23 physical and cyber security threats by:

24 (1) a transmission and distribution utility;

25 (2) an independent organization certified under
26 Section 39.151;

27 (3) an electric cooperative;

1 (4) a river authority; or

2 (5) a municipally owned utility operating in ERCOT.

3 (f) Notwithstanding Chapter 551, Government Code, the
4 commission may conduct a closed meeting, as defined by Section
5 551.001, Government Code, to discuss the findings of the committee,
6 programs required by this section, and other issues related to the
7 security of the electric grid and associated computer systems and
8 networks.

9 SECTION 2. In addition to other appropriations made by the
10 85th Legislature, Regular Session, 2017, the amount of \$25 million
11 is appropriated from the general revenue fund to the Public Utility
12 Commission of Texas for the purpose of implementing Section 39.918,
13 Utilities Code, as added by this Act, for the period beginning on
14 the effective date of this Act and ending on the second anniversary
15 of that date.

16 SECTION 3. The implementation of the changes in law made by
17 this Act is contingent on legislation that creates the electric
18 grid security advisory committee being enacted and becoming law.
19 If that legislation is not enacted and does not become law, this Act
20 has no 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, 2017.