

By: Davis of Dallas

H.B. No. 4080

A BILL TO BE ENTITLED

AN ACT

relating to certificate of convenience and necessity for transmission-only utilities in the State of Texas.

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

SECTION 1. Sections 37.051(d) and (e), Utilities Code, are amended to read as follows:

(d) A certificate may be granted to an electric utility or other person under this section for a facility used as part of the transmission system serving a [the ERCOT] power region located wholly or in part within Texas solely for the transmission of electricity.

(e) The commission may consider an application filed by a person not currently certificated as an electric utility for a certificate of convenience and necessity to construct transmission capacity that serves a [the ERCOT] power region located wholly or in part within Texas. Before granting a certificate under this section, the commission must find, after notice and hearing, that:

(1) the applicant has the technical ability, financial ability, and sufficient resources in this state to own, operate, and maintain reliable transmission facilities;

(2) the applicant has the resources and ability to comply with commission rules, requirements of the independent organization certified under Section 39.151 for the [ERCOT] power region, and requirements of the National Electric Reliability

1 Council applicable to the provisions of transmission service; and
2 (3) for an application filed by a person that is not an
3 electric utility, granting the application will not adversely
4 affect wholesale transmission rates, as compared to the rates
5 projected to be charged if an existing electric utility were to
6 build the transmission facility.

7 SECTION 2. This Act takes effect immediately if it receives
8 a vote of two-thirds of all the members elected to each house, as
9 provided by Section 39, Article III, Texas Constitution. If this
10 Act does not receive the vote necessary for immediate effect, this
11 Act takes effect September 1, 2017.