

1-1 By: Hancock S.B. No. 1211
 1-2 (In the Senate - Filed February 27, 2019; March 7, 2019,
 1-3 read first time and referred to Committee on Business & Commerce;
 1-4 March 27, 2019, reported adversely, with favorable Committee
 1-5 Substitute by the following vote: Yeas 8, Nays 0; March 27, 2019,
 1-6 sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8 Hancock	X			
1-9 Nichols	X			
1-10 Campbell	X			
1-11 Creighton	X			
1-12 Menéndez			X	
1-13 Paxton	X			
1-14 Schwertner	X			
1-15 Whitmire	X			
1-16 Zaffirini	X			

1-18 COMMITTEE SUBSTITUTE FOR S.B. No. 1211 By: Hancock

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

1-21 relating to regulation of mergers and consolidations of power
 1-22 generation companies.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Section 39.158, Utilities Code, is amended by
 1-25 amending Subsection (a) and adding Subsections (a-1), (a-2), and
 1-26 (a-3) to read as follows:

1-27 (a) A power generation company [~~An owner of electric~~
 1-28 ~~generation facilities~~] that offers electricity for sale in this
 1-29 ~~[the]~~ state in a power region open to customer choice and proposes a
 1-30 transaction to merge, consolidate, or otherwise become affiliated
 1-31 with another power generation company [~~owner of electric generation~~
 1-32 ~~facilities~~] that offers electricity for sale in this state in the
 1-33 same power region shall obtain the approval of the commission
 1-34 before closing if the merged, consolidated, or affiliated entity
 1-35 would own and control more than 10 [~~electricity offered for sale in~~
 1-36 ~~the power region by the merged, consolidated, or affiliated entity~~
 1-37 ~~will exceed one~~] percent of the total installed generation capacity
 1-38 located in, or capable of delivering electricity to, [~~electricity~~
 1-39 ~~for sale in~~] the power region.

1-40 (a-1) An [~~The~~] approval required by Subsection (a) must
 1-41 [~~shall~~] be requested at least 120 days before the date of the
 1-42 proposed closing of the transaction.

1-43 (a-2) The commission shall approve a [~~the~~] transaction
 1-44 described by Subsection (a) unless the commission finds that the
 1-45 transaction results in a violation of Section 39.154. If the
 1-46 commission finds that the transaction as proposed would violate
 1-47 Section 39.154, the commission may condition approval of the
 1-48 transaction on adoption of reasonable modifications to the
 1-49 transaction as prescribed by the commission to mitigate potential
 1-50 market power abuses.

1-51 (a-3) If the commission does not issue an order consistent
 1-52 with Subsection (a-2) before the 121st day after the date the
 1-53 commission receives a request for approval under Subsection (a),
 1-54 the request is considered approved by the commission.

1-55 SECTION 2. Section 39.158(a), Utilities Code, as amended by
 1-56 this Act, and Sections 39.158(a-1), (a-2), and (a-3), Utilities
 1-57 Code, as added by this Act, apply only to a request for an approval
 1-58 of a transaction received by the Public Utility Commission of Texas
 1-59 on or after the effective date of this Act. A request for an
 1-60 approval received by that commission before the effective date of

2-1 this Act is governed by the law in effect immediately before the
2-2 effective date of this Act, and that law is continued in effect for
2-3 that purpose.

2-4 SECTION 3. This Act takes effect September 1, 2019.

2-5

* * * * *