

SENATE AMENDMENTS

2nd Printing

By: Springer

H.B. No. 3867

A BILL TO BE ENTITLED

AN ACT

relating to the authority of the Public Utility Commission of Texas to retain assistance for regional proceedings affecting certain electric utilities and consumers.

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

SECTION 1. Subchapter A, Chapter 39, Utilities Code, is amended by adding Section 39.004 to read as follows:

Sec. 39.004. HIRING ASSISTANCE FOR REGIONAL 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 a regional transmission organization, or before a court reviewing proceedings of a regional transmission organization, related to:

(1) the relationship of an electric utility to a power region, regional transmission organization, or independent system operator;

(2) the approval of an agreement among an 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 an electric utility that may affect the ultimate rates paid by retail customers in this state.

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

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

- 3 (1) conducting a study;
- 4 (2) conducting an investigation;
- 5 (3) presenting evidence;
- 6 (4) advising the commission; or
- 7 (5) representing the commission.

8 (c) The electric utility that is the subject of the
9 proceeding shall pay timely the reasonable costs of the services of
10 a person retained under Subsection (a), as determined by the
11 commission. The total costs an electric utility is required to pay
12 under this subsection may not exceed \$1.5 million in a 12-month
13 period.

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

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

26 (f) The commission shall be precluded from engaging any
27 individual who is required to register under Section 305.003,

1 Government Code.

2 (g) This section expires September 1, 2023.

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

ADOPTED

MAY 22 2019

By: Perry

Leta Spaw
Secretary of the Senate

H.B. No. 38107

Substitute the following for ___B. No. ___:

By: Robert Lee Nichols

C.S. H.B. No. 38107

A BILL TO BE ENTITLED

1

AN ACT

2 relating to the authority of the Public Utility Commission of Texas
3 to retain assistance for regional proceedings affecting certain
4 electric utilities and consumers.

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

6 SECTION 1. Subchapter A, Chapter 39, Utilities Code, is
7 amended by adding Section 39.004 to read as follows:

8 Sec. 39.004. HIRING ASSISTANCE FOR REGIONAL PROCEEDINGS.

9 (a) The commission may retain any consultant, accountant, auditor,
10 engineer, or attorney the commission considers necessary to
11 represent the commission in a proceeding before a regional
12 transmission organization, or before a court reviewing proceedings
13 of a regional transmission organization, related to:

14 (1) the relationship of an electric utility to a power
15 region, regional transmission organization, or independent system
16 operator;

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

21 (3) other matters related to an electric utility that
22 may affect the ultimate rates paid by retail customers in this
23 state.

24 (b) Notwithstanding Sections 39.402(a), 39.452(d), and

1 39.502(b), this section applies to an electric utility to which
2 Subchapter I, J, or K applies.

3 (c) Assistance for which a consultant, accountant, auditor,
4 engineer, or attorney may be retained under Subsection (a) may
5 include:

- 6 (1) conducting a study;
- 7 (2) conducting an investigation;
- 8 (3) presenting evidence;
- 9 (4) advising the commission; or
- 10 (5) representing the commission.

11 (d) The electric utility that is the subject of the
12 proceeding shall pay timely the reasonable costs of the services of
13 a person retained under Subsection (a), as determined by the
14 commission. The total costs an electric utility is required to pay
15 under this subsection may not exceed \$1.5 million in a 12-month
16 period.

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

24 (f) The commission shall consult the attorney general
25 before the commission retains a consultant, accountant, auditor, or
26 engineer under Subsection (a). The retention of an attorney under
27 Subsection (a) is subject to the approval of the attorney general

1 under Section 402.0212, Government Code.

2 (g) The commission shall be precluded from engaging any
3 individual who is required to register under Section 305.003,
4 Government Code.

5 (h) This section expires September 1, 2023.

6 SECTION 2. This Act takes effect September 1, 2019.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

May 23, 2019

TO: Honorable Dennis Bonnen, Speaker of the House, House of Representatives

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: HB3867 by Springer (Relating to the authority of the Public Utility Commission of Texas to retain assistance for regional proceedings affecting certain electric utilities and consumers.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The Public Utility Commission and the Office of the Attorney General anticipate that any work resulting from the bill could be absorbed within existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 302 Office of the Attorney General, 473 Public Utility Commission of Texas

LBB Staff: WP, SD, CLo, CMa, SGr, MB

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

May 15, 2019

TO: Honorable Kelly Hancock, Chair, Senate Committee on Business & Commerce

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: **HB3867** by Springer (Relating to the authority of the Public Utility Commission of Texas to retain assistance for regional proceedings affecting certain electric utilities and consumers.), **Committee Report 2nd House, Substituted**

<p>No significant fiscal implication to the State is anticipated.</p>
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The Public Utility Commission and the Office of the Attorney General anticipate that any work resulting from the bill could be absorbed within existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 302 Office of the Attorney General, 473 Public Utility Commission of Texas

LBB Staff: WP, CLo, CMa, SGr, MB

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

May 10, 2019

TO: Honorable Kelly Hancock, Chair, Senate Committee on Business & Commerce

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: HB3867 by Springer (Relating to the authority of the Public Utility Commission of Texas to retain assistance for regional proceedings affecting certain electric utilities and consumers.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The Public Utility Commission and the Office of the Attorney General anticipate that any work resulting from the bill could be absorbed within existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 302 Office of the Attorney General, 473 Public Utility Commission of Texas

LBB Staff: WP, CLo, CMa, SGr, MB

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 11, 2019

TO: Honorable Dade Phelan, Chair, House Committee on State Affairs

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: HB3867 by Springer (relating to the authority of the Public Utility Commission of Texas to retain assistance for regional proceedings affecting certain electric utilities and consumers.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The Public Utility Commission and the Office of the Attorney General anticipate that any work resulting from the bill could be absorbed within existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 302 Office of the Attorney General, 473 Public Utility Commission of
 Texas

LBB Staff: WP, CMa, SGr, MB

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

March 24, 2019

TO: Honorable Dade Phelan, Chair, House Committee on State Affairs

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: **HB3867** by Springer (Relating to the authority of the Public Utility Commission of Texas to retain assistance for regional proceedings affecting certain electric utilities and consumers.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The Public Utility Commission and the Office of the Attorney General anticipate that any work resulting from the bill could be absorbed within existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 302 Office of the Attorney General, 473 Public Utility Commission of Texas

LBB Staff: WP, CMa, SGr, MB