87S21062 JXC-D

By:  Rosenthal H.B. No. 228

A BILL TO BE ENTITLED

AN ACT

relating to electricity supply chain risk mitigation planning.

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

SECTION 1.  Sections 86.044(d) and (e), Natural Resources Code, as added by S.B. No. 3, Acts of the 87th Legislature, Regular Session, 2021, are amended to read as follows:

(d)  The commission by rule shall require an operator of a gas supply chain facility to provide to the commission:

(1)  a summary report of a criticality analysis of the facility;

(2)  a plan to mitigate risk factors identified in the criticality analysis; and

(3)  proof that the operator has implemented the plan described by Subdivision (2) over a reasonable period, in a form satisfactory to the commission, which may be in the form of inspections or documents[~~:~~

[~~(1)  inspect gas supply chain facilities for compliance with rules adopted under Subsection (c);~~

[~~(2)  provide the owner of a facility described by Subdivision (1) with a reasonable period of time in which to remedy any violation the commission discovers in an inspection; and~~

[~~(3)  report to the attorney general any violation that is not remedied in a reasonable period of time~~].

(e)  The commission shall report to the attorney general any violation of a rule adopted under Subsection (c) that is not remedied in a reasonable period of time [~~prioritize inspections conducted under Subsection (d)(1) based on risk level, as determined by the commission~~].

SECTION 2.  Section 35.0021(c), Utilities Code, as added by S.B. No. 3, Acts of the 87th Legislature, Regular Session, 2021, is amended to read as follows:

(c)  The commission by rule shall require a provider of electric generation service described by Subsection (a) to provide to the commission:

(1)  a summary report of a criticality analysis of the provider's generation assets;

(2)  a plan to mitigate risk factors identified in the criticality analysis; and

(3)  proof that the provider has implemented the plan described by Subdivision (2) over a reasonable period, in a form satisfactory to the commission, which may be in the form of inspections or documents [~~independent organization certified under Section 39.151 for the ERCOT power region shall:~~

[~~(1)  inspect generation assets in the ERCOT power region for compliance with the reliability standards;~~

[~~(2)  provide the owner of a generation asset with a reasonable period of time in which to remedy any violation the independent organization discovers in an inspection; and~~

[~~(3)  report to the commission any violation~~].

SECTION 3.  Section 38.075(b), Utilities Code, as added by S.B. No. 3, Acts of the 87th Legislature, Regular Session, 2021, is amended to read as follows:

(b)  The commission by rule shall require each electric cooperative, municipally owned utility, and transmission and distribution utility providing transmission service in the ERCOT power region to provide to the commission:

(1)  a summary report of a criticality analysis of the cooperative's or utility's facilities;

(2)  a plan to mitigate risk factors identified in the criticality analysis; and

(3)  proof that the cooperative or utility has implemented the plan described by Subdivision (2) over a reasonable period, in a form satisfactory to the commission, which may be in the form of inspections or documents [~~independent organization certified under Section 39.151 for the ERCOT power region shall:~~

[~~(1)  inspect the facilities of each electric cooperative, municipally owned utility, and transmission and distribution utility providing transmission service in the ERCOT power region for compliance with the reliability standards;~~

[~~(2)  provide the owner of a facility described by Subdivision (1) with a reasonable period of time in which to remedy any violation the independent organization discovers in an inspection; and~~

[~~(3)  report to the commission any violation that is not remedied in a reasonable period of time~~].

SECTION 4.  Sections 121.2015(c-1) and (c-2), Utilities Code, as added by S.B. No. 3, Acts of the 87th Legislature, Regular Session, 2021, are amended to read as follows:

(c-1)  The railroad commission by rule shall require an operator of a gas pipeline facility described by Subsection (a)(3) to provide to the railroad commission:

(1)  a summary report of a criticality analysis of the facility;

(2)  a plan to mitigate risk factors identified in the criticality analysis; and

(3)  proof that the operator has implemented the plan described by Subdivision (2) over a reasonable period, in a form satisfactory to the commission, which may be in the form of inspections or documents [~~:~~

[~~(1)  inspect gas pipeline facilities described by Subsection (a)(3) for compliance with rules adopted under Subsection (a)(3);~~

[~~(2)  provide the owner of a facility described by Subsection (a)(3) with a reasonable period of time in which to remedy any violation the railroad commission discovers in an inspection; and~~

[~~(3)  report to the attorney general any violation that is not remedied in a reasonable period of time~~].

(c-2)  The railroad commission shall report to the attorney general any violation of a rule adopted under Subsection (a)(3) that is not remedied in a reasonable period of time [~~prioritize inspections conducted under Subsection (c-1)(1) based on risk level, as determined by the railroad commission~~].

SECTION 5.  Sections 35.0021(c-1) and 38.075(c), Utilities Code, as added by S.B. No. 3, Acts of the 87th Legislature, Regular Session, 2021, are repealed.

SECTION 6.  This Act takes effect on the 91st day after the last day of the legislative session.