By:  King of Parker H.B. No. 2483

A BILL TO BE ENTITLED

AN ACT

Relating to utility facilities for restoring service after widespread outage.

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.  UTILITY FACILITIES FOR RESTORING SERVICE AFTER WIDESPREAD OUTAGE. (a) In this section, "widespread outage" means any event that results in an electric power outage affecting a significant number of distribution customers of a transmission and distribution utility that results in a risk to the public's safety.

(b)  Notwithstanding any provision in this subtitle, a transmission and distribution utility may lease or own and operate facilities that provide temporary, emergency electric energy to aid in restoration of service to its own distribution customers during a widespread outage.

(c)  A transmission and distribution utility may procure and own, or enter into a cooperative agreement with other utilities to jointly procure and own, long lead time facilities that would aid in restoration of electric service for its own distribution customers following a widespread outage.

(d)  The commission shall permit a transmission and distribution utility that leases or owns and operates facilities under this section to recover the costs of leasing or ownership and operation of the facilities, using the rate of return on investment established in the final order of the utility's most recent base rate proceeding. The commission shall also authorize a utility to defer incremental operations and maintenance expenses associated with the leasing or ownership of the facilities for recovery in a future ratemaking proceeding. A utility may request recovery of the costs of leasing or ownership and operation of the facilities under this section, including any deferred expenses, through a proceeding under Section 26.210 or in another ratemaking proceeding. At the time the utility seeks cost recovery of the facilities, it shall submit an analysis of the costs and benefits of owning versus leasing the facilities, if the facilities are available in the competitive marketplace.

SECTION 2.  This Act takes effect September 1, 2021.