87R10708 JXC-D

By:  Davis H.B. No. 3061

A BILL TO BE ENTITLED

AN ACT

relating to the generation of electricity in this state.

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

SECTION 1.  Subchapter A, Chapter 35, Utilities Code, is amended by adding Section 35.0021 to read as follows:

Sec. 35.0021.  MAINTENANCE OF GENERATION ASSETS; CAPACITY FORECAST REPORTS. The commission by rule shall require each provider of generation in the ERCOT power region to:

(1)  submit to the commission annual maintenance plans showing how the provider will maintain generation assets;

(2)  periodically inspect and maintain generation assets to ensure that the assets can withstand extreme weather conditions; and

(3)  report to the independent organization certified under Section 39.151 for the ERCOT power region annual forecasts of the provider's generation capacity for a five-year period beginning with the year following the year in which the forecast is submitted.

SECTION 2.  Section 39.351, Utilities Code, is amended by adding Subsection (d) to read as follows:

(d)  The commission shall require a person registered under this section who operates a natural gas generation facility to maintain at the site of the facility an amount of natural gas as a reserve that will allow the facility to provide generation for at least 48 hours that equals at least 10 percent of the net dependable capability of the facility in the event of a natural gas shortage. In this subsection, "net dependable capability" means the maximum load in megawatts, net of station use, which a generating unit or generating station can carry under specified conditions for a given period of time, without exceeding approved limits of temperature and stress.

SECTION 3.  Not later than September 1, 2022, the Public Utility Commission of Texas shall submit a report to the legislature on the potential costs and benefits of establishing an emergency strategic electric energy reserve in this state. The report must evaluate the feasibility of establishing a state natural gas reserve and of constructing state-owned power plants.

SECTION 4.  This Act takes effect September 1, 2021.