87R11875 JXC-D

By:  Hinojosa H.B. No. 3912

A BILL TO BE ENTITLED

AN ACT

relating to the weather emergency preparedness of gas facilities and facilities for providing electric service.

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

SECTION 1.  Subchapter C, Chapter 86, Natural Resources Code, is amended by adding Section 86.044 to read as follows:

Sec. 86.044.  WEATHER EMERGENCY PREPAREDNESS. (a) The commission by rule shall require an operator of a gas well to implement measures to prepare the well to operate during a weather emergency.

(b)  The rules must be based on information from the National Weather Service and the Office of the Texas State Climatologist about:

(1)  historic weather emergencies;

(2)  climate variability; and

(3)  projected changes in weather.

(c)  The commission shall review and, if necessary, update rules adopted under this section at least once every five years to account for changes in the information described by Subsection (b).

(d)  The rules must:

(1)  require an operator of a gas well to implement the required measures at the expense of the provider; and

(2)  require the provider to submit to the commission an annual report that shows the costs of implementing the required measures and that the costs were paid out of the operator's net profits.

SECTION 2.  Subchapter A, Chapter 35, Utilities Code, is amended by adding Section 35.0021 to read as follows:

Sec. 35.0021.  WEATHER EMERGENCY PREPAREDNESS. (a) The commission by rule shall require each provider of generation in the ERCOT power region to implement measures to prepare generation facilities to provide adequate electric generation service during a weather emergency.

(b)  The rules must be based on information from the National Weather Service and the Office of the Texas State Climatologist about:

(1)  historic weather emergencies;

(2)  climate variability; and

(3)  projected changes in weather.

(c)  The commission shall review and update rules adopted under this section at least once every five years to account for changes in the information described by Subsection (b).

(d)  The rules must:

(1)  require a provider of generation to implement the required measures at the expense of the provider; and

(2)  require the provider to submit to the commission an annual report that shows the costs of implementing the required measures and that the costs were paid out of the provider's net profits.

SECTION 3.  Subchapter D, Chapter 38, Utilities Code, is amended by adding Section 38.074 to read as follows:

Sec. 38.074.  WEATHER EMERGENCY PREPAREDNESS. (a) The commission by rule shall require each electric cooperative, municipally owned utility, and transmission and distribution utility providing transmission or distribution service in the ERCOT power region to implement measures to prepare facilities to maintain service quality and reliability during a weather emergency.

(b)  The rules must be based on information from the National Weather Service and the Office of the Texas State Climatologist about:

(1)  historic weather emergencies;

(2)  climate variability; and

(3)  projected changes in weather.

(c)  The commission shall review and update rules adopted under this section at least once every five years to account for changes in the information described by Subsection (b).

(d)  The commission shall conduct a study on possible ways to provide funding for the measures required by the rules for transmission and distribution utilities so that the cost of the measures is not paid by retail customers. The commission shall submit the results of the study to the legislature not later than September 1, 2022. This subsection expires September 1, 2023.

SECTION 4.  Section 121.2015, Utilities Code, is amended by amending Subsection (a) and adding Subsections (d), (e), and (f) to read as follows:

(a)  The railroad commission shall adopt rules regarding:

(1)  public education and awareness relating to gas pipeline facilities; [~~and~~]

(2)  community liaison for responding to an emergency relating to a gas pipeline facility; and

(3)  measures gas pipeline facility operators must implement to prepare gas pipeline facilities to maintain service quality and reliability during a weather emergency.

(d)  The rules adopted under Subsection (a)(3) must be based on information from the National Weather Service and the Office of the Texas State Climatologist about:

(1)  historic weather emergencies;

(2)  climate variability; and

(3)  projected changes in weather.

(e)  The commission shall review and, if necessary, update rules adopted under Subsection (a)(3) at least once every five years to account for changes in the information described by Subsection (d).

(f)  The commission shall conduct a study on possible ways to provide funding for the measures required by the rules adopted under Subsection (a)(3) so that the cost of the measures is not paid by retail customers. The commission shall submit the results of the study to the legislature not later than September 1, 2022. This subsection expires September 1, 2023.

SECTION 5.  The Public Utility Commission of Texas and the Railroad Commission of Texas shall adopt the rules required by this Act not later than January 1, 2022.

SECTION 6.  This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2021.