

By: Dominguez

H.B. No. 2544

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the governing body of the independent organization
3 certified to manage the ERCOT power region.

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

5 SECTION 1. Section 39.151, Utilities Code, is amended by
6 amending Subsection (g) and adding Subsections (g-2) and (g-3) to
7 read as follows:

8 (g) To maintain certification as an independent
9 organization under this section, an organization's governing body,
10 other than the ex officio members listed in this subsection, must be
11 composed of persons specified by this section who represent the
12 various geographic regions of this state, who have expertise in the
13 field of power generation or transmission and distribution, and who
14 are selected in accordance with formal bylaws or protocols of the
15 organization. The bylaws or protocols must be approved by the
16 commission and must reflect the input of the commission. The bylaws
17 must specify the process by which appropriate stakeholders elect
18 members and, for unaffiliated members, prescribe professional
19 qualifications for selection as a member. The bylaws must require
20 the use of a professional search firm to identify candidates for
21 membership of unaffiliated members. The process must allow for
22 commission input in identifying candidates. The governing body
23 must be composed of:

24 (1) the chairman of the commission as an ex officio

1 nonvoting member;

2 (2) the counsellor as an ex officio voting member
3 representing residential and small commercial consumer interests;

4 (3) the chief executive officer of the independent
5 organization as an ex officio voting member;

6 (4) six market participants elected by their
7 respective market segments to serve one-year terms, with:

8 (A) one representing independent generators;

9 (B) one representing investor-owned utilities;

10 (C) one representing power marketers;

11 (D) one representing retail electric providers;

12 (E) one representing municipally owned
13 utilities; and

14 (F) one representing electric cooperatives;

15 (5) one member representing industrial consumer
16 interests and elected by the industrial consumer market segment to
17 serve a one-year term;

18 (6) one member representing large commercial consumer
19 interests selected in accordance with the bylaws to serve a
20 one-year term; and

21 (7) five members unaffiliated with any market segment
22 and selected by the other members of the governing body to serve
23 three-year terms.

24 (g-2) To qualify to serve as a member of the governing body
25 under Subsection (g)(4), (5), (6), or (7), a person must be a
26 resident of this state.

27 (g-3) To maintain certification as an independent

1 organization under this section, an organization's chief executive
2 officer must be a resident of this state.

3 SECTION 2. (a) An independent organization certified under
4 Section 39.151, Utilities Code, by the Public Utility Commission of
5 Texas before September 1, 2021, shall hold elections and select new
6 members as needed to modify the organization's governing body to
7 comply with Section 39.151, Utilities Code, as amended by this Act,
8 as soon as practicable, but not later than September 1, 2022.

9 (b) An independent organization certified under Section
10 39.151, Utilities Code, by the Public Utility Commission of Texas
11 before September 1, 2021, shall ensure that the chief executive
12 officer of the organization is a resident of this state as soon as
13 practicable, but not later than September 1, 2022.

14 (c) After September 1, 2022, the Public Utility Commission
15 of Texas may decertify an independent organization whose governing
16 body or chief executive officer does not comply with Section
17 39.151, Utilities Code, as amended by this Act.

18 SECTION 3. This Act takes effect September 1, 2021.