By: Davis

H.B. No. 3061

A BILL TO BE ENTITLED 1 AN ACT 2 relating to the generation of electricity in this state. 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 4 SECTION 1. Subchapter A, Chapter 35, Utilities Code, is 5 amended by adding Section 35.0021 to read as follows: Sec. 35.0021. MAINTENANCE OF GENERATION ASSETS; CAPACITY 6 FORECAST REPORTS. The commission by rule shall require each 7 provider of generation in the ERCOT power region to: 8 9 (1) submit to the commission annual maintenance plans showing how the provider will maintain generation assets; 10 (2) periodically inspect and maintain generation 11 12 assets to ensure that the assets can withstand extreme weather 13 conditions; and 14 (3) report to the independent organization certified under Section 39.151 for the ERCOT power region annual forecasts of 15 16 the provider's generation capacity for a five-year period beginning with the year following the year in which the forecast is submitted. 17 18 SECTION 2. Section 39.351, Utilities Code, is amended by adding Subsection (d) to read as follows: 19 20 (d) The commission shall require a person registered under 21 this section who operates a natural gas generation facility to maintain at the site of the facility an amount of natural gas as a 22 23 reserve that will allow the facility to provide generation for at least 48 hours that equals at least 10 percent of the net dependable 24

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capability of the facility in the event of a natural gas shortage. 1 2 In this subsection, "net dependable capability" means the maximum load in megawatts, net of station use, which a generating unit or 3 generating station can carry under specified conditions for a given 4 period of time, without exceeding approved limits of temperature 5 6 and stress. 7 SECTION 3. Not later than September 1, 2022, the Public Utility Commission of Texas shall submit a report to the 8 legislature on the potential costs and benefits of establishing an 9 emergency strategic electric energy reserve in this state. The 10 report must evaluate the feasibility of establishing a state 11 natural gas reserve and of constructing state-owned power plants. 12

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

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