

By: Thierry

H.B. No. 3062

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), (g-3), and
7 (g-4) to read as follows:

8 (g) To maintain certification as an independent
9 organization under this section, an organization's governing body
10 must be composed of persons specified by this section [~~and selected
11 in accordance with formal bylaws or protocols of the organization.
12 The bylaws or protocols must be approved by the commission and must
13 reflect the input of the commission. The bylaws must specify the
14 process by which appropriate stakeholders elect members and, for
15 unaffiliated members, prescribe professional qualifications for
16 selection as a member. The bylaws must require the use of a
17 professional search firm to identify candidates for membership of
18 unaffiliated members. The process must allow for commission input
19 in identifying candidates~~]. The governing body must be composed
20 of:

21 (1) the chairman of the commission as an ex officio
22 nonvoting member;

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

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

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

5 (A) one representing independent generators;

6 (B) one representing investor-owned utilities;

7 (C) one representing power marketers;

8 (D) one representing retail electric providers;

9 (E) one representing municipally owned
10 utilities; and

11 (F) one representing electric cooperatives;

12 (5) one member representing industrial consumer
13 interests and elected by the industrial consumer market segment to
14 serve a one-year term;

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

18 (7) five members who are informed residential
19 customers whose primary residences have a diverse range of property
20 values, with:

21 (A) one member whose primary residence has a
22 property value of less than \$75,000;

23 (B) one member whose primary residence has a
24 property value of at least \$75,000 but less than \$125,000;

25 (C) one member whose primary residence has a
26 property value of at least \$125,000 but less than \$175,000;

27 (D) one member whose primary residence has a

1 property value of at least \$175,000 but less than \$225,000; and

2 (E) one member whose primary residence has a
3 property value of at least \$225,000 [~~five members unaffiliated with~~
4 ~~any market segment and selected by the other members of the~~
5 ~~governing body to serve three-year terms]~~.

6 (g-2) Members of the organization's governing body required
7 by Subsections (g)(4), (5), and (6) must be selected in accordance
8 with formal bylaws or protocols of the organization. The bylaws or
9 protocols must be approved by the commission and must reflect the
10 input of the commission. The bylaws must specify the process by
11 which appropriate stakeholders elect members and, for unaffiliated
12 members, prescribe professional qualifications for selection as a
13 member. The bylaws must require the use of a professional search
14 firm to identify candidates for membership of unaffiliated members.
15 The process must allow for commission input in identifying
16 candidates.

17 (g-3) To qualify to serve as a member of the governing body
18 under Subsection (g)(4), (5), (6), or (7), a person must be a
19 resident of this state.

20 (g-4) To maintain certification as an independent
21 organization under this section, an organization's chief executive
22 officer must be a resident of this state.

23 SECTION 2. (a) An independent organization certified under
24 Section 39.151, Utilities Code, by the Public Utility Commission of
25 Texas before September 1, 2021, shall hold elections and select new
26 members as needed to modify the organization's governing body to
27 comply with Section 39.151, Utilities Code, as amended by this Act,

1 as soon as practicable, but not later than September 1, 2022.

2 (b) An independent organization certified under Section
3 39.151, Utilities Code, by the Public Utility Commission of Texas
4 before September 1, 2021, shall ensure that the chief executive
5 officer of the organization complies with Section 39.151, Utilities
6 Code, as amended by this Act, as soon as practicable, but not later
7 than September 1, 2022.

8 (c) After September 1, 2022, the Public Utility Commission
9 of Texas may decertify an independent organization whose governing
10 body does not comply with Section 39.151, Utilities Code, as
11 amended by this Act.

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