

By: Hinojosa

H.B. No. 3468

A BILL TO BE ENTITLED

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

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

6 SECTION 1. Section 39.151(g), Utilities Code, is amended to  
7 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 of:

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

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

24 (3) the chief executive officer of the independent

1 organization as an ex officio voting member;

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

4 (A) one representing independent generators;

5 (B) one representing investor-owned utilities;

6 (C) one representing power marketers;

7 (D) one representing retail electric providers;

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

10 (F) one representing electric cooperatives;

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

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

17 (7) five members unaffiliated with any market segment  
18 and selected by the other members of the governing body to serve  
19 three-year terms; and

20 (8) one member unaffiliated with any market segment  
21 who is a climate scientist selected by the other members of the  
22 governing body to serve a three-year term.

23 SECTION 2. (a) An independent organization certified under  
24 Section 39.151, Utilities Code, by the Public Utility Commission of  
25 Texas before the effective date of this Act shall modify the  
26 organization's governing body to comply with Section 39.151,  
27 Utilities Code, as amended by this Act, as soon as practicable, but

1 not later than September 1, 2021.

2 (b) After September 1, 2021, the Public Utility Commission  
3 of Texas may decertify an independent organization whose governing  
4 body does not comply with Section 39.151, Utilities Code, as  
5 amended by this Act.

6 SECTION 3. This Act takes effect immediately if it receives  
7 a vote of two-thirds of all the members elected to each house, as  
8 provided by Section 39, Article III, Texas Constitution. If this  
9 Act does not receive the vote necessary for immediate effect, this  
10 Act takes effect September 1, 2021.