

By: Toth

H.B. No. 3592

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the Public Utility Commission of Texas and the
3 governing body of the independent organization certified to manage
4 the ERCOT power region.

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

6 SECTION 1. Section 12.058, Utilities Code, is amended to
7 read as follows:

8 Sec. 12.058. MEETINGS. (a) The commission shall hold
9 meetings at its office and at other convenient places in this state
10 as expedient and necessary for the proper performance of the
11 commission's duties.

12 (b) Notwithstanding the requirements of Chapter 551,
13 Government Code, if a disaster is imminent that could threaten the
14 provision of electric or water service in this state regulated by
15 the commission, the governor may authorize the commission to meet
16 or otherwise communicate to prepare for and respond to the imminent
17 disaster.

18 SECTION 2. Section 39.151, Utilities Code, is amended by
19 amending Subsections (g) and (g-1) and adding Subsection (g-2) to
20 read as follows:

21 (g) The commission may certify an independent organization
22 under this section only if the [~~To maintain certification as an~~
23 ~~independent organization under this section, an~~] organization's
24 governing body is [~~must be~~] composed of 15 members appointed by the

1 commission with the advice and consent of the senate [~~persons~~
2 ~~specified by this section and selected in accordance with formal~~
3 ~~bylaws or protocols of the organization. The bylaws or protocols~~
4 ~~must be approved by the commission and must reflect the input of the~~
5 ~~commission. The bylaws must specify the process by which~~
6 ~~appropriate stakeholders elect members and, for unaffiliated~~
7 ~~members, prescribe professional qualifications for selection as a~~
8 ~~member. The bylaws must require the use of a professional search~~
9 ~~firm to identify candidates for membership of unaffiliated members.~~
10 ~~The process must allow for commission input in identifying~~
11 ~~candidates. The governing body must be composed of:~~

12 ~~[(1) the chairman of the commission as an ex officio~~
13 ~~nonvoting member,~~

14 ~~[(2) the counsellor as an ex officio voting member~~
15 ~~representing residential and small commercial consumer interests,~~

16 ~~[(3) the chief executive officer of the independent~~
17 ~~organization as an ex officio voting member,~~

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

20 ~~[(A) one representing independent generators,~~

21 ~~[(B) one representing investor-owned utilities,~~

22 ~~[(C) one representing power marketers,~~

23 ~~[(D) one representing retail electric providers,~~

24 ~~[(E) one representing municipally owned~~
25 ~~utilities, and~~

26 ~~[(F) one representing electric cooperatives,~~

27 ~~[(5) one member representing industrial consumer~~

1 ~~interests and elected by the industrial consumer market segment to~~
2 ~~serve a one-year term;~~

3 ~~[(6) one member representing large commercial~~
4 ~~consumer interests selected in accordance with the bylaws to serve~~
5 ~~a one-year term; and~~

6 ~~[(7) five members unaffiliated with any market segment~~
7 ~~and selected by the other members of the governing body to serve~~
8 ~~three-year terms].~~

9 (g-1) The commission shall designate the presiding officer
10 of the governing body ~~[must be one of the members described by~~
11 ~~Subsection (g)(7)].~~

12 (g-2) Members of the governing body of an independent
13 organization certified under this section serve staggered terms of
14 six years, with one-third of the members' terms expiring February 1
15 of each odd-numbered year. Not later than the 30th day after the
16 date a member of the governing body's term expires, the commission
17 shall appoint a replacement in the same manner as the original
18 appointment. If a vacancy occurs on the governing body, the
19 commission shall appoint a successor in the same manner as the
20 original appointment to serve for the remainder of the unexpired
21 term. The commission shall appoint the successor not later than the
22 30th day after the date the vacancy occurs.

23 SECTION 3. Not later than September 1, 2021, the Public
24 Utility Commission of Texas shall comply with Section 39.151,
25 Utilities Code, as amended by this Act, by appointing members to the
26 governing body of the independent organization certified under
27 Section 39.151, Utilities Code, by the Public Utility Commission of

1 Texas before the effective date of this Act. In appointing the
2 initial members of the governing body, the Public Utility
3 Commission of Texas shall appoint five persons to terms expiring
4 February 1, 2023, five persons to terms expiring February 1, 2025,
5 and five persons to terms expiring February 1, 2027.

6 SECTION 4. 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.