

By: Miles

S.B. No. 1624

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 Subsections (g) and (g-1) and adding Subsection (g-2) 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
20 of:

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

23 (2) eight members appointed by the governor with the
24 advice and consent of the senate, with:

1 (A) six members representing various market
2 segments; and

3 (B) two members representing consumer interests
4 ~~[the counsellor as an ex officio voting member representing~~
5 ~~residential and small commercial consumer interests;~~

6 ~~[(3) the chief executive officer of the independent~~
7 ~~organization as an ex officio voting member;~~

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

10 ~~[(A) one representing independent generators;~~

11 ~~[(B) one representing investor-owned utilities;~~

12 ~~[(C) one representing power marketers;~~

13 ~~[(D) one representing retail electric providers;~~

14 ~~[(E) one representing municipally owned~~
15 ~~utilities; and~~

16 ~~[(F) one representing electric cooperatives;~~

17 ~~[(5) one member representing industrial consumer~~
18 ~~interests and elected by the industrial consumer market segment to~~
19 ~~serve a one-year term;~~

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

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

26 (g-1) The governor shall select a presiding officer of the
27 governing body from among its members ~~[of the governing body must be~~

1 ~~one of the members described by Subsection (g)(7)].~~

2 (g-2) Members of the governing body of an independent
3 organization certified under this section serve staggered terms of
4 four years, with four members' terms expiring February 1 of each
5 odd-numbered year. Not later than the 30th day after the date a
6 member of the governing body's term expires, the governor shall
7 appoint a replacement in the same manner as the original
8 appointment. If a vacancy occurs on the governing body, the
9 governor shall appoint a successor in the same manner as the
10 original appointment to serve for the remainder of the unexpired
11 term. The governor shall appoint the successor not later than the
12 30th day after the date the vacancy occurs.

13 SECTION 2. (a) Not later than December 1, 2021, the
14 governor shall comply with Section 39.151, Utilities Code, as
15 amended by this Act, by appointing members to the governing body of
16 an independent organization certified under Section 39.151,
17 Utilities Code, by the Public Utility Commission of Texas before
18 September 1, 2021. To establish staggered terms, the governor
19 shall designate four initial appointees to serve terms expiring
20 February 1, 2023, and four initial appointees to serve terms
21 expiring February 1, 2025.

22 (b) After September 1, 2022, the Public Utility Commission
23 of Texas may decertify an independent organization whose governing
24 body does not comply with Section 39.151, Utilities Code, as
25 amended by this Act.

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