

BILL ANALYSIS

S.B. 2010
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State Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Currently, legislators have no way of knowing how many instances of potential market manipulation are being investigated by the independent market monitor (IMM) for the wholesale electric market, nor how many of those are then conveyed to the Public Utility Commission of Texas (PUC) for enforcement. It is critical that policy makers are able to understand the frequency and type of potential violations that the IMM and the PUC are investigating. In an effort to address this issue and increase the information to which policy makers have access, S.B. 2010 seeks to require the IMM's existing report to provide more information and be more widely distributed and to require the PUC to provide an annual report regarding these issues to the legislature.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

S.B. 2010 amends the Utilities Code to require the wholesale electric market monitor's report to the Public Utility Commission of Texas (PUC) of potential manipulation of the wholesale electric market and discovered or potential violations of PUC or ERCOT rules to be provided also to PUC staff. The bill specifies that the report must be in writing and that the report must contain all discovered or potential violations, rather than any discovered or potential violations. The bill requires the PUC, not later than December 1 of each year, to submit a report to the legislature that describes the following information for the 12-month period preceding the report's submission:

- the number of instances in which the market monitor reported potential market manipulation to the PUC or PUC staff;
- the statutes, PUC rules, and ERCOT rules alleged to have been violated by the reported entities; and
- the number of reported instances of potential market manipulation for which the PUC instituted a formal investigation on its own motion or PUC staff initiated an enforcement action.

EFFECTIVE DATE

September 1, 2023.