By:  Geren (Senate Sponsor - Schwertner) H.B. No. 5066

(In the Senate - Received from the House May 8, 2023; May 9, 2023, read first time and referred to Committee on Business & Commerce; May 18, 2023, reported adversely, with favorable Committee Substitute by the following vote: Yeas 9, Nays 0; May 18, 2023, sent to printer.)

COMMITTEE VOTE

                    Yea Nay Absent  PNV

Schwertner           X

King                 X

Birdwell                       X

Campbell             X

Creighton            X

Johnson              X

Kolkhorst                      X

Menéndez             X

Middleton            X

Nichols              X

Zaffirini            X

COMMITTEE SUBSTITUTE FOR H.B. No. 5066 By:  Nichols

A BILL TO BE ENTITLED

AN ACT

relating to electricity service in areas of this state with a need for transmission projects.

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

SECTION 1.  Sections 37.056(c) and (c-1), Utilities Code, are amended to read as follows:

(c)  The commission shall grant each certificate on a nondiscriminatory basis after considering:

(1)  the adequacy of existing service;

(2)  the need for additional service;

(3)  the effect of granting the certificate on the recipient of the certificate and any electric utility serving the proximate area; and

(4)  other factors, such as:

(A)  community values;

(B)  recreational and park areas;

(C)  historical and aesthetic values;

(D)  environmental integrity;

(E)  the probable improvement of service or lowering of cost to consumers in the area if the certificate is granted, including any potential economic or reliability benefits associated with dual fuel and fuel storage capabilities in areas outside the ERCOT power region; and

(F)  the need for extending transmission service where existing or projected electrical loads will be underserved, including where:

(i)  the existing transmission service is unreasonably remote;

(ii)  the available capacity is unreasonably limited at transmission or distribution voltage level; or

(iii)  the electrical load cannot be interconnected in a timely manner [~~to the extent applicable, the effect of granting the certificate on the ability of this state to meet the goal established by Section 39.904(a) of this title~~].

(c-1)  In considering the need for additional service under Subsection (c)(2) for a reliability transmission project that serves the ERCOT power region or under Subsection (c)(4)(F), the commission must consider the historical load, forecasted load growth, and additional load currently seeking interconnection, including load for which the electric utility has yet to sign an interconnection agreement, as determined by the electric utility with the responsibility for serving the load.

SECTION 2.  Section 37.057, Utilities Code, is amended to read as follows:

Sec. 37.057.  DEADLINE FOR APPLICATION FOR NEW TRANSMISSION FACILITY. The commission must approve or deny an application for a certificate for a new transmission facility not later than the 180th day after [~~the first anniversary of~~] the date the application is filed. If the commission does not approve or deny the application on or before that date, a party may seek a writ of mandamus in a district court of Travis County to compel the commission to decide on the application.

SECTION 3.  Subchapter D, Chapter 39, Utilities Code, is amended by adding Sections 39.166 and 39.167 to read as follows:

Sec. 39.166.  RELIABILITY PLAN FOR REGIONS WITH RAPID ELECTRICAL LOAD GROWTH. (a) The commission shall direct the independent organization certified under Section 39.151 for the ERCOT power region to:

(1)  identify each region in which transmission capacity is insufficient to meet the region's existing and forecasted electrical load, as reasonably determined by the certificated transmission service provider; and

(2)  develop a reliability plan to serve existing and forecasted electrical load in the identified region.

(b)  The commission shall develop a plan to implement each reliability plan adopted under Subsection (a) to ensure timely development and approval of necessary transmission service improvements.

Sec. 39.167.  RELIABILITY PLAN FOR PERMIAN BASIN. (a) Not later than January 30, 2024, the commission shall direct the independent organization certified under Section 39.151 for the ERCOT power region to develop a reliability plan under Section 39.166 for the Permian Basin region.

(b)  The plan must:

(1)  address extending transmission service to areas where mineral resources have been found;

(2)  address increasing available capacity to meet forecasted load; and

(3)  provide available infrastructure to reduce interconnection times in areas without access to transmission service.

(c)  This section expires September 1, 2025.

SECTION 4.  The changes in law made by this Act apply only to a proceeding affecting a certificate of public convenience and necessity that commences on or after the effective date of this Act. A proceeding affecting a certificate of public convenience and necessity that commenced before the effective date of this Act is governed by the law in effect on the date the proceeding is commenced, and that law is continued in effect for that purpose.

SECTION 5.  This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2023.

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