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AN ACT 2 relating to the authority of the Public Utility Commission of Texas 3 to impose administrative penalties and enter into voluntary 4 mitigation plans; increasing an administrative penalty.

6 SECTION 1. Sections 15.023(b-1) and (f), Utilities Code, 7 are amended to read as follows:

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

8 (b-1) Notwithstanding Subsection (b), the penalty for a 9 violation of <u>a voluntary mitigation plan entered into under</u> 10 <u>Subsection (f) or of</u> a provision of Section 35.0021 or 38.075 may be 11 in an amount not to exceed \$1,000,000 for a violation. Each day a 12 violation continues or occurs is a separate violation for purposes 13 of imposing a penalty.

(f) The commission and a person may develop and enter into a 14 15 voluntary mitigation plan relating to a violation of Section 39.157 or rules adopted by the commission under that section. 16 The 17 commission may approve the plan only if the commission determines that the plan is in the public interest. The voluntary mitigation 18 plan must be reviewed at least once every two years and not later 19 than the 90th day after the implementation date of a wholesale 20 market design change. As part of the review, the commission must 21 22 determine whether the voluntary mitigation plan remains in the public interest. If the commission determines that the voluntary 23 24 mitigation plan is no longer in the public interest, the commission

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1 and the person must agree to a modification of the plan or the 2 commission must terminate the plan. Adherence [If the commission 3 and a person enter into a voluntary mitigation plan, adherence] to 4 the plan <u>must be considered in determining whether a violation</u> 5 <u>occurred and, if so, the penalty to be assessed</u> [constitutes an 6 absolute defense against an alleged violation with respect to 7 activities covered by the plan].

8 SECTION 2. The changes in law made by this Act apply only to 9 a violation committed on or after the effective date of this Act. A 10 violation committed before the effective date of this Act is 11 governed by the law in effect when the violation was committed, and 12 the former law is continued in effect for that purpose.

13 SECTION 3. This Act takes effect September 1, 2023.

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President of the Senate Speaker of the House I hereby certify that S.B. No. 2011 passed the Senate on April 4, 2023, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendment on May 25, 2023, by the following vote: Yeas 31, Nays 0.

## Secretary of the Senate

I hereby certify that S.B. No. 2011 passed the House, with amendment, on May 23, 2023, by the following vote: Yeas 73, Nays 67, three present not voting.

Chief Clerk of the House

Approved:

Date

Governor