

1-1 By: Hall S.B. No. 2460
1-2 (In the Senate - Filed March 10, 2023; March 23, 2023, read
1-3 first time and referred to Committee on Business & Commerce;
1-4 May 1, 2023, reported adversely, with favorable Committee
1-5 Substitute by the following vote: Yeas 8, Nays 3; May 1, 2023, sent
1-6 to printer.)

1-7 COMMITTEE VOTE

1-8	Yea	Nay	Absent	PNV
1-9	Schwertner	X		
1-10	King	X		
1-11	Birdwell	X		
1-12	Campbell	X		
1-13	Creighton	X		
1-14	Johnson		X	
1-15	Kolkhorst	X		
1-16	Menéndez		X	
1-17	Middleton	X		
1-18	Nichols	X		
1-19	Zaffirini		X	

1-20 COMMITTEE SUBSTITUTE FOR S.B. No. 2460 By: King

1-21 A BILL TO BE ENTITLED
1-22 AN ACT

1-23 relating to the provision of certain electricity services.
1-24 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
1-25 SECTION 1. Section 31.002(20), Utilities Code, is amended
1-26 to read as follows:
1-27 (20) "Transmission service" includes siting of
1-28 facilities, including substations, construction or enlargement of
1-29 facilities, transmission over distribution facilities, control
1-30 area services, scheduling resources, regulation services, reactive
1-31 power support, voltage control, provision of operating reserves,
1-32 and any other associated electrical service the commission
1-33 determines appropriate, except that, on and after the
1-34 implementation of customer choice, control area services,
1-35 scheduling resources, regulation services, provision of operating
1-36 reserves, and reactive power support, voltage control, and other
1-37 services provided by generation resources are not "transmission
1-38 service."
1-39 SECTION 2. Section 37.052, Utilities Code, is amended by
1-40 adding Subsection (d) to read as follows:
1-41 (d) A municipality that receives a request from an electric
1-42 utility for written consent under Subsection (c)(2) for the
1-43 construction of a transmission line:
1-44 (1) shall send written notice to the electric utility
1-45 that includes the municipal conditions that the electric utility
1-46 must meet before construction of the transmission line may proceed;
1-47 and
1-48 (2) is considered to have consented to the
1-49 construction of the transmission line if the municipality does not
1-50 respond in writing to the request before the 90th day after the date
1-51 the electric utility submitted the request.
1-52 SECTION 3. Section 41.005, Utilities Code, is amended to
1-53 read as follows:
1-54 Sec. 41.005. LIMITATION ON MUNICIPAL AUTHORITY.
1-55 Notwithstanding any other provision of this title, a municipality
1-56 may not directly or indirectly regulate the rates, operations, and
1-57 services, including transmission services, of an electric
1-58 cooperative, except, with respect to operations, a municipality may
1-59 impose conditions reasonably [to the extent] necessary to protect
1-60 the public health, safety, or welfare. This section does not

prohibit a municipality from making a lawful charge for the use of public rights-of-way within the municipality as provided by Section 182.025, Tax Code, and Section 33.008 of this code. An electric cooperative shall be an electric utility for purposes of Section 182.025, Tax Code, and Section 33.008 of this code.

SECTION 4. Section 181.042, Utilities Code, is amended to read as follows:

Sec. 181.042. AUTHORITY TO CONSTRUCT, MAINTAIN, AND OPERATE LINES AND RELATED FACILITIES. An electric utility has the right to construct, maintain, and operate lines and related facilities over, under, across, on, or along a state highway, a county road, a municipal street or alley, or other public property in a municipality.

SECTION 5. Section 181.043, Utilities Code, is amended by adding Subsection (c) to read as follows:

(c) A municipality that receives a request from an electric utility for the municipality's consent to an activity described by Section 181.042:

(1) shall send written notice to the electric utility that includes the municipal conditions that the electric utility must meet before the activity may proceed; and

(2) is considered to have consented to the activity if the municipality does not respond in writing to the request before the 90th day after the date the electric utility submitted the request.

SECTION 6. This Act takes effect September 1, 2023.

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