

SENATE AMENDMENTS

2nd Printing

By: Geren

H.B. No. 5066

A BILL TO BE ENTITLED

1 AN ACT

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

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

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

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

9 (1) the adequacy of existing service;

10 (2) the need for additional service;

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

14 (4) other factors, such as:

15 (A) community values;

16 (B) recreational and park areas;

17 (C) historical and aesthetic values;

18 (D) environmental integrity;

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

24 (F) the need for extending transmission service

1 where existing or projected electrical loads will be underserved,
2 including where:

3 (i) the existing transmission service is
4 unreasonably remote;

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

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

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

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

21 Sec. 37.057. DEADLINE FOR APPLICATION FOR NEW TRANSMISSION
22 FACILITY. The commission must approve or deny an application for a
23 certificate for a new transmission facility not later than the
24 180th day after [~~the first anniversary of~~] the date the application
25 is filed. If the commission does not approve or deny the
26 application on or before that date, a party may seek a writ of
27 mandamus in a district court of Travis County to compel the

1 commission to decide on the application.

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

4 Sec. 39.166. RELIABILITY PLAN FOR REGIONS WITH RAPID
5 ELECTRICAL LOAD GROWTH. If the commission identifies a region in
6 which transmission capacity is insufficient to meet the region's
7 existing and forecasted electrical load, as reasonably determined
8 by the certificated transmission service provider, the commission
9 shall develop and implement a reliability plan to serve existing
10 and forecasted electrical load in the identified region. The plan
11 shall ensure timely planning, identification, and approval of
12 necessary transmission service improvements under existing rules.

13 Sec. 39.167. RELIABILITY PLAN FOR PERMIAN BASIN. (a) Not
14 later than January 30, 2024, the commission shall develop a
15 reliability plan under Section 39.166 for the Permian Basin region.

16 (b) The plan must:

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

19 (2) address increasing available capacity to meet
20 forecasted load for the next decade; and

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

24 (c) This section expires September 1, 2025.

25 SECTION 4. The changes in law made by this Act apply only to
26 a proceeding affecting a certificate of public convenience and
27 necessity that commences on or after the effective date of this Act.

1 A proceeding affecting a certificate of public convenience and
2 necessity that commenced before the effective date of this Act is
3 governed by the law in effect on the date the proceeding is
4 commenced, and that law is continued in effect for that purpose.

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

ADOPTED

MAY 21 2023

Lacey Law
Secretary of the Senate

By: *C. Johnson*

H.B. No. 5066

Substitute the following for H.B. No. 5066:

By: *Robert Lee Nichols*

C.S.H.B. No. 5066

A BILL TO BE ENTITLED

AN ACT

1
2 relating to electricity service in areas of this state with a need
3 for transmission projects.

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

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

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

9 (1) the adequacy of existing service;

10 (2) the need for additional service;

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

14 (4) other factors, such as:

15 (A) community values;

16 (B) recreational and park areas;

17 (C) historical and aesthetic values;

18 (D) environmental integrity;

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

24 (F) the need for extending transmission service

1 where existing or projected electrical loads will be underserved,
2 including where:

3 (i) the existing transmission service is
4 unreasonably remote;

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

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

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

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

21 Sec. 37.057. DEADLINE FOR APPLICATION FOR NEW TRANSMISSION
22 FACILITY. The commission must approve or deny an application for a
23 certificate for a new transmission facility not later than the
24 180th day after [~~the first anniversary of~~] the date the application
25 is filed. If the commission does not approve or deny the
26 application on or before that date, a party may seek a writ of
27 mandamus in a district court of Travis County to compel the

1 commission to decide on the application.

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

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

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

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

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

18 Sec. 39.167. RELIABILITY PLAN FOR PERMIAN BASIN. (a) Not
19 later than January 30, 2024, the commission shall direct the
20 independent organization certified under Section 39.151 for the
21 ERCOT power region to develop a reliability plan under Section
22 39.166 for the Permian Basin region.

23 (b) The plan must:

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

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

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

4 (c) This section expires September 1, 2025.

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

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

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

May 22, 2023

TO: Honorable Dade Phelan, Speaker of the House, House of Representatives

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB5066 by Geren (Relating to electricity service in areas of this state with a need for transmission projects.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

Based on the analysis of the Public Utility Commission of Texas, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 473 Public Utility Commission of Texas

LBB Staff: JMc, SD, SZ, JBel, SMAT

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

May 18, 2023

TO: Honorable Charles Schwertner, Chair, Senate Committee on Business & Commerce

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB5066 by Geren (relating to electricity service in areas of this state with a need for transmission projects.), **Committee Report 2nd House, Substituted**

No significant fiscal implication to the State is anticipated.

Based on the analysis of the Public Utility Commission of Texas, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 473 Public Utility Commission of Texas

LBB Staff: JMc, SZ, JBel, SMAT

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

May 10, 2023

TO: Honorable Charles Schwertner, Chair, Senate Committee on Business & Commerce

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB5066 by Geren (Relating to electricity service in areas of this state with a need for transmission projects.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

Based on the analysis of the Public Utility Commission of Texas, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 473 Public Utility Commission of Texas

LBB Staff: JMc, SZ, SMAT, JBel

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

April 19, 2023

TO: Honorable Todd Hunter, Chair, House Committee on State Affairs

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB5066 by Geren (relating to electricity service in areas of this state with a need for transmission projects.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

Based on the analysis of the Public Utility Commission of Texas, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 473 Public Utility Commission of Texas

LBB Staff: JMc, SMAT, JBel

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

March 28, 2023

TO: Honorable Todd Hunter, Chair, House Committee on State Affairs

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB5066 by Geren (Relating to the criteria for determining the electric need for certain transmission projects.), **As Introduced**

No significant fiscal implication to the State is anticipated.

Based on the analysis of the Public Utility Commission of Texas, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 473 Public Utility Commission of Texas

LBB Staff: JMc, SMAT, JBel