BILL ANALYSIS

Senate Research Center

H.B. 144 By: King (Schwertner) Business & Commerce 5/13/2025 Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The inspection and maintenance of the poles and wires that support Texas' electrical infrastructure are essential to ensuring overall grid resiliency. Proactively identifying and addressing system vulnerabilities can help mitigate damage from severe weather events and, more importantly, protect Texas homes and businesses.

Texas currently lacks clear regulations for the inspection, maintenance, and replacement of utility poles. H.B. 144 amends the Utilities Code to require each electric utility, electric cooperative, and municipally owned utility to submit a distribution pole inspection and management plan to the Public Utility Commission of Texas (PUC). The plan must include details on the overall scope and objectives, roles and responsibilities of the parties executing the plan, processes for managing and inspecting the poles, processes for the training and certifying of inspection personnel, complaint management, a proposed budget for implementing the plan, and deadlines for inspections, repairs, and record submission.

H.B. 144 directs the PUC to act on the plan within 180 days of submission. Additionally, the bill requires entities to submit an updated plan to the PUC every three years that details compliance with the plan's implementation and costs. It also requires entities to provide monthly reports on the inspections and any remedial actions; after 24 monthly updates demonstrating compliance, the entity may apply to switch to annual updates.

H.B. 144 amends current law relating to plans for the management and inspection of distribution poles.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends the heading to Subchapter E, Chapter 38, Utilities Code, to read as follows:

SUBCHAPTER E. INFRASTRUCTURE IMPROVEMENT AND MAINTENANCE

SECTION 2. Amends Subchapter E, Chapter 38, Utilities Code, by adding Section 38.103, as follows:

Sec. 38.103. DISTRIBUTION POLE PLAN. (a) Requires each electric cooperative, electric utility, and municipally owned utility that distributes electric energy to the public to submit to the Public Utility Commission of Texas (PUC) a plan for the management and inspection of distribution poles in the entity's distribution system.

(b) Requires that each plan submitted under Subsection (a) include:

(1) a statement of the plan's scope and objectives;

(2) the roles and responsibilities of individuals responsible for overseeing and executing the plan;

(3) a description of the cooperative's or utility's processes for the management and inspection of distribution poles on the entity's distribution system; the training and certifying of personnel, including third-party vendors, who inspect distribution poles; and the documentation of and response to a report or complaint made by a landowner regarding the condition or repair of distribution poles;

(4) for each distribution pole to be inspected, a deadline by which the inspection will be completed, a process by which inspection records will be submitted, and a timeline for any remedial action required for a pole identified as unreliable, unsafe, or needing repair; and

(5) a proposed budget for implementing the plan.

(c) Requires the PUC to approve, modify, or reject a plan submitted to the PUC under Subsection (a) not later than the 180th day after the date the plan is submitted.

(d) Requires an entity to which this section applies except as provided by Subsection (e), at least once every three years, to submit an update to the PUC detailing the entity's compliance with the plan's objectives and the costs of implementing the plan. Authorizes an electric utility to submit the update in a report required under Section 38.101 (Report on Infrastructure Improvement and Maintenance).

(e) Requires an entity to which this section applies, at least once each month, to submit an update to the commission in a form prescribed by the commission of the information described by Subsection (b)(4). Authorizes the PUC, after an entity to which this section applies submits at least 24 monthly updates in compliance with this section, on application by the entity, to allow the entity to instead file an annual update not later than May 1 of each year. Requires that an update include for each distribution pole inspected an indication of whether the pole passed inspection and was determined to be safe, reliable, and able to withstand extreme weather conditions, including high winds.

(f) Provides that this section does not expand the PUC's jurisdiction over an electric cooperative beyond the jurisdiction granted under Section 41.004(5)(A) (relating to providing that the PUC has jurisdiction over electric cooperative to require reports of electric cooperative operations only to the extent necessary to ensure the public safety). Provides that a plan or update filed under this section is considered a report to ensure public safety for the purposes of Section 41.004 (Jurisdiction of Commission).

SECTION 3. Requires each entity to which Section 38.03, Utilities Code, as added by this Act, applies, not later than January 1, 2027, to submit the plan required by that section to the PUC. Authorizes the PUC to establish different plan submission dates for each class of entity to which Section 38.103, Utilities Code, as added by this Act, applies.

SECTION 4. Effective date: upon passage or September 1, 2025.