

## **BILL ANALYSIS**

Senate Research Center  
89R9401 CXP-F

S.B. 1206  
By: Hall  
Business & Commerce  
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As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Planning electric infrastructure and transmission buildouts involves a lengthy process that includes holding public meetings, working with property owners, and an additional approval process with the Public Utility Commission of Texas (PUC) if the transmission project includes lines longer than three miles.

However, in some cases, even after this lengthy approval process, local governments impose numerous additional conditions that delay the start of construction for these projects, especially if such conditions are to "protect public health, safety, or welfare." As communities continue to expand in rural areas, extending transmission services to these new communities has been delayed as local governments request the utility to meet these conditions before they can proceed with construction.

This bill would provide the needed structure to a process that can vary greatly between municipalities and adds unnecessary costs to the electric utility, which the consumers ultimately bear.

This Bill Would:

- Add siting and substations to the definition of "transmission services";
- Require municipalities to notify the electric utility of any conditions they must meet; and
- Provide that failure by the municipality to respond within the 90-day timeframe would imply approval of the project.

As proposed, S.B. 1206 amends current law relating to the provision of certain electricity services.

### **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 Section 31.002 (20), Utilities Code, to redefine "transmission service."

SECTION 2. Amends Section 37.052, Utilities Code, by adding Subsection (d), as follows:

(d) Provides that a municipality that receives a request from an electric utility for written consent under Subsection (c)(2) (relating to providing that an electric utility is not required to amend its certificate of public convenience and necessity to construct a transmission line that connects existing facilities to a certain point if each affected landowner provides written consent) for the siting, construction, or enlargement of the transmission facilities, including substations, is required to send written notice to the electric utility that includes the municipality's conditions the electric utility is required to meet before siting, construction, or enlargement of the facilities is authorized to proceed, and is considered to have consented to the siting, construction, or enlargement of the

facilities 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 3. Amends Section 181.042, Utilities Code, as follows:

Sec. 181.042. New heading: **AUTHORITY TO CONSTRUCT, MAINTAIN, AND OPERATE LINES AND RELATED FACILITIES**. Provides that 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 4. Amends Section 181.043, Utilities Code, by adding Subsection (c), as follows:

(c) Provides that a municipality that receives a request from an electric utility for the municipality's consent to an activity described by Section 181.042 (Authority to Construct, Maintain, and Operate Lines) is required to send written notice to the electric utility that includes the municipality's conditions the electric utility is required to meet before the activity is authorized to proceed, and 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 5. Effective date: upon passage or September 1, 2025.