By: Darby H.B. No. 3069

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the approval of a certificate of convenience and

- 3 necessity for certain transmission projects.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 5 SECTION 1. Section 37.056(d), Utilities Code, is amended to
- 6 read as follows:
- 7 (d) The commission by rule shall establish criteria, in
- 8 addition to the criteria described by Subsection (c), for granting
- 9 a certificate for a transmission project that serves the ERCOT
- 10 power region and that is not necessary to meet state or federal
- 11 reliability standards. The criteria must include a comparison over
- 12 <u>a period of not less than 10 years</u> of the estimated cost of the
- 13 transmission project for consumers and the estimated congestion
- 14 cost savings for consumers that may result from the transmission
- 15 project, considering both current and future expected congestion
- 16 levels and the transmission project's ability to reduce those
- 17 congestion levels. <u>The criteria must apply a three percent</u>
- 18 discount rate to the quantified value of the congestion cost
- 19 savings after the fifth year of the comparison period. The
- 20 commission shall include with its decision on an application for a
- 21 certificate to which this subsection applies findings on the
- 22 criteria.
- 23 SECTION 2. The changes in law made by this Act apply only to
- 24 a proceeding affecting a certificate of public convenience and

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- 1 necessity that commences on or after the effective date of this Act.
- 2 A proceeding affecting a certificate of public convenience and
- 3 necessity that commenced before the effective date of this Act is
- 4 governed by the law in effect on the date the proceeding is
- 5 commenced, and that law is continued in effect for that purpose.
- 6 SECTION 3. This Act takes effect September 1, 2025.