

By: Harris Davila

H.B. No. 3535

A BILL TO BE ENTITLED

AN ACT

relating to requiring backup generation at certain wastewater treatment facilities.

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

SECTION 1. Subchapter B, Chapter 26, Water Code, is amended by adding Section 26.054 to read as follows:

Sec. 26.054. STANDARDS OF EMERGENCY OPERATIONS FOR PACKAGE PLANT. (a) In this section:

(1) "Emergency operations" means the operation of a package plant during an extended power outage that impacts the package plant.

(2) "Extended power outage" means a power outage lasting for more than 24 hours.

(3) "Package plant" means a pre-manufactured wastewater treatment facility with a capacity of less than 500,000 gallons per day. The term includes an extended aeration plant, sequencing batch reactor, or oxidation ditch.

(b) The operator of a package plant shall:

(1) ensure the emergency operation of the package plant during an extended power outage as soon as safe and practicable following the occurrence of a natural disaster; and

(2) adopt and submit to the commission for its approval:

(A) an emergency preparedness plan that

1 demonstrates the operator's ability to provide the emergency  
2 operations described by Subdivision (1); and

3 (B) a timeline for implementing the plan  
4 described by Paragraph (A).

5 (c) The commission shall review an emergency preparedness  
6 plan submitted under Subsection (b). If the commission determines  
7 that the plan is not acceptable, the commission shall recommend  
8 changes to the plan. The commission must make its recommendations  
9 on or before the 90th day after the date the commission receives the  
10 plan. In accordance with commission rules, an emergency  
11 preparedness plan for a package plant shall provide for one or more  
12 of the following:

13 (1) the maintenance of automatically starting  
14 auxiliary generators;

15 (2) the sharing of auxiliary generator capacity with  
16 one or more operators of wastewater treatment facilities affected  
17 by an extended power outage, including through participation in a  
18 statewide mutual aid program;

19 (3) the negotiation of leasing and contracting  
20 agreements, including emergency mutual aid agreements with other  
21 operators of wastewater treatment facilities, if the agreements  
22 provide for coordination with the division of emergency management  
23 in the governor's office;

24 (4) the use of portable generators capable of serving  
25 multiple facilities equipped with quick-connect systems;

26 (5) the use of on-site electrical generation or  
27 distributed generation facilities;

1           (6) hardening the electric transmission and  
2 distribution system serving the package plant;

3           (7) emergency wastewater treatment service capacity  
4 rules to maintain emergency operations; or

5           (8) any other alternative determined by the commission  
6 to be acceptable.

7           (d) Each operator of a package plant shall include in the  
8 package plant's emergency preparedness plan under Subsection (b)  
9 provisions for demonstrating the capability of the package plant to  
10 provide wastewater treatment service to its customers during  
11 emergencies. This subsection does not apply to wastewater  
12 treatment services that are unnecessary or otherwise subject to  
13 interruption or curtailment during emergencies under a contract.

14           (e) The commission shall adopt rules to implement this  
15 section.

16           (f) The commission shall provide an operator of a package  
17 plant with access to the commission's financial, managerial, and  
18 technical contractors to assist the operator in complying with the  
19 applicable emergency preparedness plan submission deadline.

20           (g) The commission by rule shall create an emergency  
21 preparedness plan template for use by an operator of a package plant  
22 when submitting a plan under this section. The emergency  
23 preparedness plan template shall contain:

24           (1) a list and explanation of the preparations an  
25 operator of a package plant may make under Subsection (c) for the  
26 commission to approve the package plant's emergency preparedness  
27 plan; and

1           (2) a list of all commission rules and standards  
2 pertaining to emergency preparedness plans.

3           (h) An emergency generator used as part of an approved  
4 emergency preparedness plan under Subsection (c) must be operated  
5 and maintained according to the manufacturer's specifications.

6           (i) The commission shall inspect each package plant to  
7 ensure that the operator of the package plant complies with the  
8 approved plan.

9           (j) The commission shall consider whether compliance with  
10 this section will cause a significant financial burden on customers  
11 of an operator of a package plant.

12           (k) An operator of a package plant may adopt and enforce  
13 limitations on wastewater treatment service while the package plant  
14 is providing emergency operations.

15           (l) Except as specifically required by this section,  
16 information provided by an operator of a package plant under this  
17 section is confidential and is not subject to disclosure under  
18 Chapter 552, Government Code.

19           (m) The commission shall coordinate with the Public Utility  
20 Commission of Texas in the administration of this section.

21           SECTION 2. (a) Not later than January 1, 2026, the Texas  
22 Commission on Environmental Quality shall adopt rules necessary to  
23 implement Section 26.054, Water Code, as added by this Act.

24           (b) Not later than May 1, 2026, each operator of a package  
25 plant shall submit to the Texas Commission on Environmental Quality  
26 the emergency preparedness plan required by Section 26.054, Water  
27 Code, as added by this Act.

1           (c) Not later than September 1, 2026, or upon final approval  
2 by the Texas Commission on Environmental Quality, each operator of  
3 a package plant shall implement the emergency preparedness plan  
4 required by Section 26.054, Water Code, as added by this Act.

5           SECTION 3. This Act takes effect September 1, 2025.