

BILL ANALYSIS

C.S.H.B. 11
By: Paddie
State Affairs
Committee Report (Substituted)

BACKGROUND AND PURPOSE

In February of this year, Winter Storm Uri hit Texas and caused the widespread failure of electric power generation facilities, which left millions of Texans without power for several days in freezing temperatures. There have been calls for the state to do more to address one of the main causes of that failure—the lack of weatherization at generation facilities, which rendered those facilities inoperable in the unusually cold temperatures. C.S.H.B. 11 seeks to answer those calls by requiring the Public Utility Commission of Texas to require by rule that each provider of power generation and each entity providing transmission or distribution service in the ERCOT power region prepare for extreme weather emergencies and enact policies for bringing failed generation back online as soon as possible.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Public Utility Commission of Texas in SECTIONS 1 and 2 of this bill.

ANALYSIS

C.S.H.B. 11 amends the Utilities Code to require the Public Utility Commission of Texas (PUC), by rule and not later than November 1, 2021, to require each provider of generation, and each electric cooperative, municipally owned utility, and transmission and distribution utility providing transmission or distribution service, in the ERCOT power region to do the following:

- implement measures to prepare facilities to provide adequate electric generation service and to maintain service quality and reliability, as applicable, during an extreme weather emergency;
- make reasonable efforts to prevent service interruptions during an extreme weather emergency;
- reestablish service in the shortest possible time period after a service interruption occurs due to an extreme weather emergency; and
- make reasonable efforts to manage emergencies caused by service interruptions during extreme weather emergencies.

The bill describes what constitutes an "extreme weather emergency" and requires the rules adopted by the PUC to address electric generation service for all neighborhoods, rural areas, communities of fewer than 1,000 people, and low-income areas in the ERCOT power region.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2021.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 11 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute changes the deadline for the PUC to adopt the rules from November 1, 2020, to November 1, 2021.