

SUBJECT: PUC review of electric utilities' emergency operations plans

COMMITTEE: State Affairs — favorable, without amendment

VOTE: 10 ayes — Cook, Frullo, Gallego, Geren, Harless, Hilderbran, Huberty, Oliveira, Solomons, Turner

0 nays

3 absent — Menendez, Craddick, Smithee

SENATE VOTE: On final passage, April 4 — 31-0

WITNESSES: For — (*Registered, but did not testify:* John W. Fainter, Jr., Association of Electric Companies of Texas, Inc.)

Against — None

DIGEST: SB 1133 would require the Public Utility Commission (PUC) to analyze emergency operation plans developed by investor-owned utilities, power generation companies, municipal utilities, and electrical cooperatives that operated generation facilities to determine how electricity generators have prepared for severe weather events. The commission would review emergency operation plans already on file with PUC and would determine the ability of the electric grid to withstand extreme weather in the coming year based on long-range forecasts from the National Weather Service. The PUC would make recommendations on improving emergency operations plans to ensure continuity of service.

The PUC could adopt rules on emergency operations plan reviews and would submit a report to the lieutenant governor, the House speaker, and members of the Legislature by September 30, 2012.

The PUC could submit subsequent weather emergency preparedness reports if there were significant changes to weatherization techniques or changes were necessary to protect consumers or vital services or if there were changes to statutes or regulations on installing weatherization. A report would have to be submitted by March 1 for a summer weather

emergency preparedness report and by September 1 for a winter weather emergency preparedness report.

Plans submitted for the report would be public information, except that certain information deemed confidential under the Open Records Act would be redacted from the report released to the public. Utilities located within the Electric Reliability Council of Texas (ERCOT) region would be required to submit the full report to ERCOT.

This bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2011.

**SUPPORTERS
SAY:**

SB 1133 would help ensure that Texas electric utilities were prepared to cope with the kinds of severe weather such as the freezing temperatures that led to rolling blackouts in the state on February 2. The PUC review would ensure that these emergency plans were updated based on long-range weather forecasts so that the electric grid remained reliable even in winter and summer. Utilities already must prepare similar reports for ERCOT and other North American Electric Reliability Corporation reliability regions covering the state. These reports should be subject to review by PUC and the public on a more systematic basis.

**OPPONENTS
SAY:**

No apparent opposition