

## **BILL ANALYSIS**

Senate Research Center  
87R17917 JXC-F

H.B. 14  
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Jurisprudence  
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Engrossed

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

When Winter Storm Uri, which paralyzed the state's power grid for a week in February of this year, fades from memory, there will remain a need to ensure that the communication and relevant policy planning activities do not fall by the wayside. H.B. 14 seeks to ensure that the state is better prepared for energy needs during future extreme weather emergencies by creating the Texas Electricity Supply Chain Security and Mapping Committee (committee).

The committee shall map the state's electricity supply chain to designate priority electricity service needs during extreme weather and identify and designate sources in the supply chain necessary to operate critical infrastructure. Further, the committee must develop a communication system between the Public Utility Commission of Texas (PUC), the Texas Division of Emergency Management (TDEM), and the Electric Reliability Council of Texas (ERCOT) to ensure prioritization of electricity and natural gas supplies and confirm best practices are met to maintain service during extreme weather events.

H.B. 14 also provides for the composition and administration of the committee and directs the PUC to maintain a confidential database identifying critical infrastructure with priority electricity that needs to be used during an extreme weather event.

H.B. 14 amends current law relating to the creation of the Texas Electricity Supply Chain Security and Mapping Committee.

### **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 Chapter 38, Utilities Code, by adding Subchapter F, as follows:

#### **SUBCHAPTER F. TEXAS ELECTRICITY SUPPLY CHAIN SECURITY AND MAPPING COMMITTEE**

Sec. 38.201. TEXAS ELECTRICITY SUPPLY CHAIN SECURITY AND MAPPING COMMITTEE. (a) Defines "electricity supply chain" and "natural gas delivery system."

(b) Provides that the Texas Electricity Supply Chain Security and Mapping Committee (committee) is established to:

- (1) map this state's electricity supply chain and natural gas delivery system;
- (2) identify critical infrastructure sources in the electricity supply chain and natural gas delivery system;

(3) establish best practices to prepare facilities that provide electric and natural gas service to maintain service in an extreme weather event and recommend oversight and compliance standards for those facilities; and

(4) designate priority service needs to prepare for, respond to, and recover from an extreme weather event.

(c) Provides that the committee is composed of the executive director of the Public Utility Commission of Texas (PUC), the executive director of the Railroad Commission of Texas (RRC), the president and the chief executive officer of the independent organization certified under Section 39.151 (Essential Organizations) for the ERCOT power region, and the chief of the Texas Division of Emergency Management (TDEM).

(d) Authorizes each member of the committee to designate a personal representative from the member's organization to represent the member on the committee. Provides that a member is responsible for the acts and omissions of the designee related to the designee's representation on the committee.

(e) Provides that the executive director of the PUC serves as the chair of the committee. Provides that the executive director of RRC serves as vice chair of the committee.

Sec. 38.202. ADMINISTRATION. (a) Requires the committee to meet at least once each calendar quarter at a time determined by the committee and at the call of the chair.

(b) Requires a member who is an ex officio member from a state agency to be reimbursed for actual and necessary expenses in carrying out committee responsibilities from money appropriated for that purpose in the agency's budget. Authorizes other members of the committee to receive reimbursement for actual and necessary expenses in carrying out committee responsibilities from money appropriated for that purpose.

(c) Requires the PUC, RRC, and TDEM to provide staff as necessary to assist the committee in carrying out the committee's duties and responsibilities.

(d) Requires the independent organization certified under Section 39.151 for the ERCOT power region to provide staff as necessary to assist the committee in carrying out the committee's duties and responsibilities.

(e) Provides that except as otherwise provided by this subchapter, the committee is subject to Chapters 2001 (Administrative Procedure), 551 (Open Meetings), and 552 (Public Information), Government Code.

Sec. 38.203. POWERS AND DUTIES OF COMMITTEE. (a) Requires the committee to:

(1) map the state's electricity supply chain in order to designate priority electricity service needs during extreme weather events;

(2) identify and designate the sources in the electricity supply chain necessary to operate critical infrastructure, as defined by Section 421.001 (Definitions), Government Code;

(3) develop a communication system between critical infrastructure sources, the PUC, and the independent organization certified under Section 39.151 for the ERCOT power region to ensure that electricity and natural gas supplies are prioritized to those sources during an extreme weather event; and

(4) establish best practices to prepare facilities that provide electric and natural gas service to maintain service in an extreme weather event and recommend oversight and compliance standards for those facilities.

(b) Requires the PUC to create and maintain a database identifying critical infrastructure sources with priority electricity needs to be used during an extreme weather event, and update the database at least once each year.

(c) Provides that the information maintained in the database is confidential under Section 418.181 (Confidentiality of Certain Information Relating to Critical Infrastructure), Government Code, and not subject to disclosure under Chapter 552, Government Code.

Sec. 38.204. ELECTRIC SUPPLY MAPPING REPORT. (a) Requires the committee, not later than January 1, 2022, to submit a report to the governor, the lieutenant governor, the speaker of the Texas House of Representatives, and the legislature on the activities and findings of the committee. Requires that the report:

(1) provide an overview of the committee's findings regarding mapping the electricity supply chain and identifying sources necessary to operate critical infrastructure;

(2) recommend a clear and thorough communication system for the PUC, RRC, TDEM, and the independent organization certified under Section 39.151 for the ERCOT power region and critical infrastructure sources in this state to ensure that electricity supply is prioritized to those sources during extreme weather events; and

(3) include a list of the established best practices and recommended oversight and compliance standards adopted under Section 38.203(a)(4).

(b) Provides that the report is public information except for portions considered confidential under Chapter 552, Government Code, or other state or federal law.

SECTION 2. Effective date: upon passage or September 1, 2021.