

Texas Legislative Response to Winter Storm Uri

2021 GAS & POWER INSTITUTE - UT LAW CLE

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DEEP DIVE INTO TEXAS LEGISLATIVE RESPONSE TO WINTER STORM URI

Consumer Protection

Emergency Alerts, Homeowner Backup & Rate Plans

Alerts & Backup

Ban on restricting source of backup:
[HB 17](#) (Deshotel)
 Food Supply:
[SB 398](#) (Menendez)

Power outage alert system.
[SB 3, Secs. 1, 2](#) (Schwertner)

Rate Plans & Relief

Ban on wholesale indexed products.
[HB 16](#) (Hernandez)

Wholesale Pricing:
[SB 3, Sec. 18](#)
 Residential protections.
[SB 3, Secs. 8, 9, 10, 11, 20, 30](#) (Schwertner)

GRID RELIABILITY

(so the public knows this will NEVER happen again)

Securitization

Coops & REPs

Financing of Uri electric utility costs.
[HB 4492](#) (Paddie)
 Coop securitization.
[SB 1580](#) (Hancock)

Gas Utilities

Financing of Uri fuel costs.
[HB 1520](#) (Paddie)

Non-ERCOT

Financing of non-ERCOT Uri electric utility costs.
[HB 1510](#) (Metcalfe)

Resiliency

Weatherization & Market Reform

Reliability

Weatherization & Load Shed

Electric Generation:
[SB 3, Secs. 7, 12, 13, 16, 23, 24, 39](#)
 Load Shed Procedures:
[SB 3, Secs. 9, 10, 11, 16, 39](#) (Schwertner)

Oil & Gas:
[SB 3, Secs. 5, 6, 7, 21, 22, 25, 38](#)
 Water:
[SB 3, Secs. 26, 27, 28, 29, 31, 32, 36](#) (Schwertner)

AS & Firming:
[SB 3, Secs. 14, 18, 35](#) (Schwertner)
 EV Charging:
[SB 1202](#) (Hancock)

Market Refinement

Transmission:
[SB 3, Secs. 15, 16, 19](#) (Schwertner)
 ERCOT transmission reliability assessment.
[SB 1281](#) (Hancock)

Dispatchable:
[SB 3, Sec. 18](#)
 Distributed:
[SB 3, Sec. 19](#) (Schwertner)
[HB 2483](#) (King)



ERCOT & PUC

Governance

ERCOT:
 Annual independent audit of ERCOT.
[HB 2586](#) (Thierry)
 Independent ERCOT board.
[SB 2](#) (Hancock)

PUC:
 PUC Chair must be Texas resident.
[SB 2](#) (Hancock)
 Suspension of public info law during disaster.
[SB 1225](#) (Huffman)
 PUC expanded from 3 to 5 members.
[SB 2154](#) (Schwertner)

Accountability & Coordination

Designation & Mapping

Mapping:
 Designation of gas and electric critical infrastructure
[HB 3648](#) (Geren)
 Critical infrastructure designation & creation of Mapping Committee.
[SB 3, Secs. 4, 8, 16, 17, 37, 38](#) (Schwertner)

Coordination

TERC:
 Expansion of Texas Energy Reliability Council.
[SB 3, Sec. 3](#) (Schwertner)

PUC/ERCOT/TERC Coordination.
[SB 3, Secs. 23, 24, 25, 26, 34, 35, 36, 39, 40](#) (Schwertner)
 Creation of State Energy Plan Advisory Committee.
[SB 3, Sec. 33](#)

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TOP-LINE TAKE-AWAY OF TEXAS STATE LEADERSHIP RESPONSE TO WINTERSTORM URI

- Legislature Passes Omnibus Grid & market Reform Bills
 - **SB3, Sections 13 & 16:** Weatherize power plants and natural gas supply
 - **SB3, Section 14:** Cost allocation of reliability impacts of renewables
 - **SB3, Section 18:** Preservation of reliable generation & grid resilience
 - **SB 1281:** Transmission reform – designed to reinstall citing discipline and consumer test for new transmission projects (also studies congestion)
- Legislature allowed Chapter 313 (Property Tax Incentive Program) to Expire
- Governor Issues Directive to PUCT and ERCOT Stating How Market Reform Legislation Should be Implemented (and why)

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