

# *Texas Legislative Response to Winter Storm Uri*

*2021 GAS & POWER INSTITUTE - UT LAW CLE*

*October 14, 2021*

*Mike Nasi, Partner, Jackson Walker LLP,*



# DEEP DIVE INTO TEXAS LEGISLATIVE RESPONSE TO WINTER STORM URI

## Consumer Protection

**GRID RELIABILITY**  
*(so the public knows this will NEVER happen again)*

### 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)

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

# 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)

Find the full text of this and thousands of other resources from leading experts in dozens of legal practice areas in the [UT Law CLE eLibrary \(utcle.org/elibrary\)](https://utcle.org/elibrary)

Title search: Texas Legislative Response to Winter Storm Uri

Also available as part of the eCourse

[2021 Gas and Power eConference](#)

First appeared as part of the conference materials for the

2021 Gas and Power Institute session

"Legislative Response to Winter Storm Uri"