

# 87<sup>th</sup> Legislative Session PUCT Status

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### Introduction

This document summarizes the PUCT's progress in implementing statutory requirements that affect the organization and arise from legislation adopted by the 87th Legislature in 2021.

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Public Utility Commission of Texas

## **Key Phrases**

#### Proposal for Publication (PFP)

• A draft of a proposed rule that the Commission files on its website and publishes in the Texas Register to formally initiate a rulemaking proceeding.

#### Public Utility Regulatory Act (PURA)

 In 1975, the Texas Legislature enacted the Public Utility Regulatory Act (PURA) and created the Public Utility Commission of Texas (PUCT) to provide statewide regulation of the rates and services of electric and telecommunications utilities

#### Texas Water Code (TWC)

• The Texas Water Code is the enabling statute that provides PUCT with authority to regulate the water and sewer services for the state of Texas.

#### Project

 Commission staff opens a 'project' with a unique number on the agency information interchange platform on its website for different agency initiatives. Projects are opened to gather information and other input from interested persons for policy building initiatives, including rulemakings, and other initiatives undertaken by the Commission.

#### Interchange

• Web-based application for filing documents in dockets before the PUCT.



Public Utility Commission of Texas

Status	Bill, Author	<b>Brief Description</b>	Section of Code	Project No.	Latest Action	Industry
	HB 16 Rep. Hernandez Sen. Hancock	Regulation of certain retail electric products.	PURA §§39.110 and 39.112.	Project No. 51830	16 TAC \$25.43, \$25.471, \$25.475, \$25.479, \$25.498 and \$25.499 effective 01/07/2022	Electric
	HB 1572 Rep. Craddick Sen. Springer	Rental and operation of electric generation equipment.	PURA §31.002 and §37.001	<u>Project No.</u> 52313	16 TAC <u>§24.3</u> and <u>§25.5</u> Effective 06/01/2022	Water and Electric
	HB 2483 Rep. King Sen. Hancock	Permits TDUs to lease or own and operate temporary or long-lead time facilities to restore service and provide energy to distribution customers after a natural disaster	PURA §39.918	Project No. 53404	16 TAC §25.56 and §25.59 effective 01/08/2025.	Electric
	HB 2586 Rep. Thierry Sen. Hall	Requires PUCT to have an independent audit made of ERCOT each year, to be published on PUCT website and submitted to the Legislature		Project No. 52933	Completed and published on the PUCT website.	Electric
	HB 3648 Rep. Geren Sen. Hancock	Requires the PUCT and RRC to designate certain gas entities and facilities as critical during an energy emergency	Nature Resources Code §81.073 PURA §38.074	Project No. 52345	16 TAC §25.22 Effective 04/10/2024.	Electric



Status	Bill, Author	Brief Description	Section of Code	Project No.	Latest Action	Industry
	HB 3853 Rep. Anderson Sen. Perry	Allows electric utilities to own or operate facilities providing middlemile broadband services and removes references to broadband over power lines in PURA. Allows rate recovery for middle-mile infrastructure.	§43.051, §43.052, § 43.053, §43.054, §4	Project No. 52845	16 TAC §25.218 effective 04/19/2022	Electric
	HB 4492 Rep. Paddie Sen. Hancock	Directed an investment from the Economic Stabilization Fund to cover ERCOT short pay amounts and repay that investment with interest and provided a mechanism for financing reliability deployment price adder charges and high ancillary services charges	PURA § ,39.603 and §39.653	Docket No. 52321 Docket No. 52709 Docket No. 52322 Project No. 53710	Proceeds have been distributed to active LSEs and Commission is monitoring proper usage of funds.	Electric
	SB 2 Sen. Hancock Rep. Paddie	Changed ERCOT Board from segment membership to 8 unaffiliated members selected by the selection committee	PURA §39.151	N/A	ERCOT Selection Committee appointed all 8 ERCOT Board Members starting in October through December 2021.	Electric
	SB 2 Sen. Hancock Rep. Paddie	Design permanent process for PUC approval of ERCOT rules	PURA §12.0521, §1 3.022, §39.151, §3 9.1513	Project No. 52301	Staff hosted a stakeholder workshop on 03/10/2025. The archive ca be found here.	Electric



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	SB 3 Sen. Schwertner Rep. Paddie	Establishes an appropriate reliability standard in the ERCOT power region.	PURA §35.0021	Project No. 54584	16 TAC §25.508 effective 09/29/2024	Electric
	SB 3, § 1 Sen. Schwertner Rep. Paddie	Creates a power outage alert system administered by TDEM with guidance from PUCT	Texas Government Code §411.301	Project No. 52287	16 TAC §25.57 Effective 06/15/2022	Electric
	SB 3, §3 Sen. Schwertner Rep. Paddie	Created Texas Energy Reliability Council and requires the PUCT to conduct rulemaking on weather preparation measures for providers of electric generation in ERCOT	Texas Government Code Chapter §418.305, §418.306, §418.307, and §418.310.		16 TAC §25.55 Effective 10/20/2022	Electric
	SB 3, §4 & §16  Sen. Schwertner Rep. Paddie	Designated critical natural gas facilities and prioritize for continued service and power restoration during energy emergencies.	Natural Resources Code §81.073	Project No. 52345	16 TAC §25.22 Effective on 12/20/2021	Electric

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	SB 3 §7 Sen. Schwertner Rep. Paddie	Increased PUCT penalty authority to \$1 million a day for failing to weatherize	Natural Resources Code §86.222	Project No. 52312	16 TAC §22.246 AND §25.8 effective 03/15/2022	Electric
	SB 3, §8  Sen. Schwertner  Rep. Paddie	Defined "critical care residential customer" and "critical load industrial customer"	PURA §17.002	Project No. 52345	16 TAC §25.57 Effective 12/20/2021	Electric
	SB 3, §9  Sen. Schwertner Rep. Paddie	Required TDUs and REPs to provide customers information about load shed procedures, application procedures for critical status, and electricity usage reduction during load shed	PURA §17.003	Project No. 51830	16 TAC §25.43, §25.471, §25.475, §25.479, §25.498 AND §25.499 Effective 01/05/2022	Electric
	SB 3, §14  Sen. Schwertner  Rep. Paddie	Provided enhancements to wholesale market mechanisms to enhance ancillary services	PURA §35.004	Project No. 52373 Project No. 53298 Project No. 54585 Project No. 55845	Market Redesign Phase II is currently underway. The Ancillary Services Study was completed in January 2025, it can be found here.	Electric
	SB 3, §17  Sen. Schwertner Rep. Paddie	Created the Texas Electricity Supply Chain Security and Mapping Committee	PURA §38.201	Project No. 52404	First Map completed on April 29, 2022. The committee is meeting biannually	Electric



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	SB 3, §18  Sen. Schwertner  Rep. Paddie	Requires the creation of an emergency pricing program for ERCOT's wholesale electric market.	PURA §§39.159 and 39.160.	Project No. 54585	16 TAC §25.509 effective 12/20/2023.	Electric
	SB 3, §24 Sen. Schwertner Rep. Paddie	Prepare an annual Extreme Weather and Emergency Preparedness Report	PURA §186.007	Project No. 51841 Project No. 53385	16 TAC §25.53 Effective 03/19/2021	Electric
	SB 3, §30 Sen. Schwertner Rep. Paddie	Water customers protections including no late fees or disconnections for nonpayment during an extreme weather event	TWC §13.151	Project No. 52405	16 TAC §24.173 Effective 11/09/2022	Water
	SB 387  Sen. Schwertner Rep. Wilson  HB 3689  Sen. Gutierrez Rep. Cortez	Clarifies that in a water rate appeal, the Commission must ensure that every appealed rate is just and reasonable. Expands the Commission's appellate authority by allowing ratepayers to appeal water and sewer rates set by a municipally owned utility for ratepayers previously served by another retail public utility, in certain situations.	TWC §13.043(b), (b-4), and (j)	Project No. 54932	16 TAC §24.101 effective on 10/04/2023.	Water





Status	Bill, Author	<b>Brief Description</b>	Section of Code	Project No.	Latest Action	Industry
	SB 415 Sen. Hancock Rep. Holland	Clarify ownership or operation of energy storage by a Transmission and Distribution Utility allowing for contractual arrangements between a power generating company and a TDU.	PURA §35.151 and §35.153	N/A	Discussion draft and stakeholder discussion has taken place. Commissio n will adopt a rule in a future rulemaking proceeding.	Electric
	SB 1202 Sen. Hancock Rep. Paddie	Made clear that EV charging stations can provide charging services to their customers without incurring the regulatory jurisdiction imposed on electric utilities and retail electric providers	PURA §31.002, §37.001 and 37.002	' Project No. 52313	16 TAC §24.3 and §25.5 Effective 06/01/2022	Water Electric
	HB 1484 Sen. Springer Rep. Metcalf	Allows an acquiring water and sewer utility to apply an existing tariff to the customers of an acquired utility.	TWC §13.3011	Project No. 53924	16 TAC §24.240 Effective 04/10/2024	Water
	SB 1876 Sen. Miles Rep. Oliverson	Added "end stage renal disease facility" to the list of health facilities prioritized in system restoration	PURA §38.072	Project No. 52345	16 TAC \$25.57 Effective 12/20/2021	Electric
	SB 1281 Sen. Hancock Rep. King	Creates new CCN process exemptions for short lines near existing transmission facilities, require a costbenefit analysis of consumer benefits as a consideration for granting a CCN for a transmission line proposed for economic reasons and require a biennial grid reliability assessment from ERCOT.	anu 312.000.	<sup>3</sup> , Project No. 53403	16 TAC §25.101 Effective on 12/20/2022	Electric

