

BILL ANALYSIS

Senate Research Center

C.S.S.B. 1398
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Natural Resources & Economic Development
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Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The state of our grid's security needs to be assessed and evaluated regarding its vulnerabilities to an electromagnetic pulse (EMP) event, man-made or natural.

The purpose of the committee substitute for S.B. 1398 is to direct the Public Utility Commission of Texas (PUC) to instruct the Electric Reliability Council of Texas (ERCOT) to commission a study on the security of the Texas electric grid by an independent organization of experts in the areas of EMP, cybersecurity, electric power system security, and terrorism. The study should focus on the most critical infrastructure of the electric grid. Critical infrastructure means: electrical power generating facilities, substations, switching stations, electrical control centers, electrical transmission, and distribution facilities.

The grid security study must:

- identify the critical infrastructure that is at risk of EMP, geomagnetic disturbance (GMD), terrorist, and cybersecurity threats;
- evaluate technologies available to improve the resiliency of critical infrastructure against EMP, GMD, terrorist, or cyber-attack threats;
- evaluate measures to secure the electric grid and associated computer systems and networks against damage from EMP, GMD, terrorist, and cyber-attack threats; and
- assess the projected cost of enhancements to critical infrastructure necessary to adequately protect against EMP, GMD, terrorist, and cyber-attack threats.

Information collected by ERCOT for this study is relating to the security of the electric grid and is therefore confidential. The results of this study are not subject to disclosure under the Public Information Act. The report is due on December 1, 2016, and is to be submitted to the governor, lieutenant governor, speaker of the house of representatives, Senate Committee on Natural Resources and Economic Development, House Committee on State Affairs, and emergency management.

C.S.S.B. 1398 amends current law relating to a study by the Electric Reliability Council of Texas on securing critical infrastructure from electromagnetic, geomagnetic, terrorist, and cyber-attack threats.

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. (a) Defines "critical infrastructure."

(b) Requires the Public Utility Commission of Texas (PUC) to instruct the independent organization certified under Section 39.151 (Essential Organizations), Utilities Code, to commission a study on the security of the Texas electric grid and the computer systems and networks related to it. Requires the independent organization, on or before September 1, 2015, to name persons to conduct the study who have expertise in:

- (1) electromagnetic pulse disturbances;

- (2) cybersecurity;
- (3) geomagnetic disturbances;
- (4) electric power transmission and distribution system security; and
- (5) terrorism.

(c) Requires the independent organization, through the study, to:

- (1) identify the critical infrastructure that is at risk from electromagnetic, geomagnetic, terrorist, and cyber-attack threats;
- (2) evaluate technologies available to improve the resiliency of critical infrastructure against electromagnetic, geomagnetic, terrorist, or cyber-attack threats;
- (3) evaluate measures to secure the electric grid and associated computer systems and networks against damage against electromagnetic, geomagnetic, terrorist, and cyber-attack threats; and
- (4) assess the projected cost of enhancements to critical infrastructure that are necessary to secure adequately against electromagnetic, geomagnetic, terrorist, and cyber-attack threats.

(d) Provides that information collected by the independent organization for the study that is related to the security of the electric grid is confidential and is not subject to disclosure under Chapter 552 (Public Information), Government Code.

SECTION 2. Requires PUC, not later than December 1, 2016, to provide a report on the results of the study required by this Act to the governor of the State of Texas, the lieutenant governor, the speaker of the house of representatives, and each standing committee of the senate and the house of representative with primary jurisdiction over the electric grid and emergency management.

SECTION 3. Effective date: upon passage or September 1, 2015.