

## **BILL ANALYSIS**

Senate Research Center

H.B. 4952  
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Engrossed

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

There are ever-increasing threats to our electric grid security. As such, the state needs to adequately protect critical transmission substations that ensure power remains flowing through the grid.

H.B. 4952 seeks to address these security threats by expanding the tabletop exercise to also include a threat of an attack or an actual physical attack on a critical facility. It does not require a transmission and distribution service provider to disclose a list of the critical substations.

H.B. 4952 amends current law relating to the security of the electricity supply chain.

### **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 Section 38.077, Utilities Code, as follows:

Sec. 38.077. New heading: RELIABILITY EXERCISES. (a) Defines "critical facility."

(b) Makes nonsubstantive changes to this subsection.

(c) Requires the Public Utility Commission of Texas (PUC) and the independent organization certified for the Electric Reliability Council of Texas (ERCOT) power region (independent organization) to conduct simulated or tabletop load shedding exercises with providers of electric generation service and transmission and distribution service in the ERCOT power region to mitigate and prepare for a threat of an attack or an actual physical attack on a critical facility. Provides that the exercises required by this subsection are in addition to the exercises required by Subsection (b) (relating to requiring the PUC and the independent organization to conduct certain exercises) and any requirements of the North American Electric Reliability Corporation Critical Infrastructure Protection plan standards. Requires the PUC and the independent organization to conduct the exercises under this subsection at least once every two years.

(d) Requires a simulated or tabletop load shedding exercise conducted under Subsection (c) to identify the roles and responsibilities of the following in the event of a threat of an attack or an actual physical attack on a critical facility:

- (1) transmission and distribution service providers;
- (2) law enforcement;
- (3) the independent organization; and
- (4) the PUC.

(e) Provides that a transmission and distribution service provider is not required to disclose the specific location of the provider's critical substations to the PUC or the independent organization for the purposes of a simulated or tabletop load shedding exercise conducted under Subsection (c).

SECTION 2. Amends Subchapter F, Chapter 38, Utilities Code, by adding Section 38.205, as follows:

Sec. 38.205. PHYSICAL SECURITY OF CRITICAL FACILITIES. (a) Defines "critical facility."

(b) Requires the PUC to require each electric utility, electric cooperative, municipally owned utility, river authority that owns electric transmission assets, and transmission and distribution utility to provide to the chair of the Texas Electricity Supply Chain Security and Mapping Committee (committee) the following information:

(1) the location of any critical facility owned or operated by the utility, cooperative, or authority;

(2) security measures in place to protect each critical facility against physical attack; and

(3) contact information for the applicable utility, cooperative, or authority.

(c) Authorizes the chair of the committee to share information provided to the chair under Subsection (b) related to a physical attack or a threat of a physical attack on a critical facility with a law enforcement agency that has jurisdiction over the critical facility.

(d) Requires the chair of the committee to provide the Department of Public Safety of the State of Texas (DPS) with access to the information provided to the chair of the committee under Subsection (b).

(e) Provides that information provided to the chair of the committee or DPS under this section is confidential under Section 418.181 (Confidentiality of Certain Information Relating to Critical Infrastructure), Government Code, and not subject to disclosure under Chapter 552 (Public Information), Government Code.

SECTION 3. Requires the PUC and the independent organization, not later than December 31, 2024, to conduct a simulated or tabletop load shedding exercise with each provider of electric generation service and of transmission and distribution service as required by Section 38.077(c), Utilities Code, as added by this Act.

SECTION 4. Effective date: upon passage or September 1, 2023.