

## **BILL ANALYSIS**

Senate Research Center  
88R13300 KBB-F

S.B. 1519  
By: King  
Business & Commerce  
4/14/2023  
As Filed

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

Transmission and distribution utilities in ERCOT are permitted to operate load management programs for nonresidential customers (i.e., commercial and industrial customers) during ERCOT-declared energy emergencies or ERCOT-directed load shed. Participants in these load management programs curtail their usage when called upon, these load management programs are separate and apart from the current energy efficiency load management programs that are administered by the Public Utility Commission of Texas, and residential customers are currently ineligible to participate. Transmission and distribution utilities in ERCOT successfully operated load management programs during the 2021/2022 winter season, with a combined total of approximately 140 MW of commercial and industrial customer load available to curtail usage in the event of an ERCOT-declared energy emergency or ERCOT-directed load shed.

Transmission and distribution utilities in ERCOT have received interest from residential customers and retail electric providers regarding participation in future load management programs. This legislation would broaden the scope of customers that are eligible to participate in load management programs to include residential customers, thereby potentially increasing the amount of load available to be curtailed during an ERCOT-declared energy emergency or ERCOT-directed load shed.

As proposed, S.B. 1519 amends current law relating to electric utility weather emergency preparedness.

### **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 38.075(e), Utilities Code, as follows:

(e) Requires the Public Utility Commission of Texas, notwithstanding any other provision of Subtitle B (Electric Utilities), to allow a transmission and distribution utility to design and operate a load management program for customers, rather than nonresidential customers, to be used where the independent organization certified under Section 39.151 (Essential Organizations) for the Electric Reliability Council of Texas (ERCOT) power region has declared a Level 2 Emergency or a higher level of emergency or has otherwise directed the transmission and distribution utility to shed load.

SECTION 2. Effective date: upon passage or September 1, 2023.