

**SUBJECT:** Allowing PUC to retain persons to assist in regional transmission hearings

**COMMITTEE:** State Affairs — favorable, without amendment

**VOTE:** 15 ayes — King, Hernandez, Anchía, Darby, Y. Davis, Geren, Guillen, Hull, McQueeney, Metcalf, Phelan, Raymond, Smithee, Thompson, Turner

0 nays

**WITNESSES:** For — (*Registered, but did not testify:* Kelly Sadler, AEP Texas; Mark Bell, Association of Electric Companies of Texas; Kyle Bush, Texas Association of Manufacturers; Logan Harrell, Texas Chemistry Council; Julia Harvey, Texas Electric Cooperatives; Ben Utley, Texas New Mexico Power (TNMP))

Against — None

On — (*Registered, but did not testify:* Barksdale English, Public Utility Commission of Texas)

**BACKGROUND:** It has been suggested that allowing the Public Utility Commission (PUC) to hire certain outside experts would help the commission conduct regional transmission proceedings that often involve technical and regulatory complexity.

**DIGEST:** HB 4668 would authorize the Public Utility Commission (PUC) to retain any consultant, accountant, auditor, engineer, or attorney it considered necessary to represent the commission in a proceeding before a regional transmission organization, or before a court reviewing a proceeding of such an organization, related to:

- the relationship of an electric utility to a power region, regional transmission organization, or independent system operator;
- the approval of an agreement among an electric utility and its affiliates concerning the coordination of their operations; or

- other matters related to an electric utility that could affect retail customer rates.

Assistance from a person retained by PUC for such purposes could include conducting a study or investigation, presenting evidence, and advising or representing the commission.

HB 4668 would require the electric utility that was the subject of the proceeding to timely pay the reasonable costs of the services of such a person, as determined by PUC, up to \$1.5 million in a 12-month period. PUC would have to allow an electric utility to recover both these total costs and associated carrying charges through an annual rider reviewed and approved by PUC.

PUC's retention of an attorney under the bill would be subject to approval by the attorney general, and PUC would have to consult the attorney general before retaining other persons for services under the bill. PUC could not engage any individual required to register as a lobbyist with the Texas Ethics Commission.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2025.