AN ACT
relating to the requirement that certain water service providers
ensure emergency operations during an extended power outage.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter E, Chapter 13, Water Code, is amended
by adding Sections 13.1395 and 13.1396 to read as follows:

Sec. 13.1395. STANDARDS OF EMERGENCY OPERATIONS. (a) In
this section:

(1) "Affected utility" means a retail public utility,
exempt utility, or provider or conveyor of potable or raw water
service that furnishes water service to more than one customer:

(A) in a county with a population of 3.3 million
or more; or

(B) in a county with a population of 400,000 or
more adjacent to a county with a population of 3.3 million or more.

(2) "Emergency operations" means the operation of a
water system during an extended power outage at a minimum water
pressure of 35 pounds per square inch.

(3) "Extended power outage" means a power outage
lasting for more than 24 hours.

(b) An affected utility shall:

(1) ensure the emergency operation of its water system
during an extended power outage as soon as safe and practicable
following the occurrence of a natural disaster; and
(2) adopt and submit to the commission for its approval an emergency preparedness plan that demonstrates the utility's ability to provide emergency operations.

(c) The commission shall review an emergency preparedness plan submitted under Subsection (b). If the commission determines that the plan is not acceptable, the commission shall recommend changes to the plan. The commission must make its recommendations on or before the 90th day after the commission receives the plan. In accordance with commission rules, an emergency preparedness plan shall provide for one of the following:

(1) the maintenance of automatically starting auxiliary generators;

(2) the sharing of auxiliary generator capacity with one or more affected utilities;

(3) the negotiation of leasing and contracting agreements, including emergency mutual aid agreements with other retail public utilities, exempt utilities, or providers or conveyors of potable or raw water service, if the agreements provide for coordination with the division of emergency management in the governor's office;

(4) the use of portable generators capable of serving multiple facilities equipped with quick-connect systems;

(5) the use of on-site electrical generation or distributed generation facilities;

(6) hardening the electric transmission and distribution system serving the water system;

(7) for existing facilities, the maintenance of direct
engine or right angle drives; or

(8) any other alternative determined by the commission to be acceptable.

(d) Each affected utility that supplies, provides, or conveys surface water shall include in its emergency preparedness plan under Subsection (b) provisions for the actual installation and maintenance of automatically starting auxiliary generators or distributive generation facilities for each raw water intake pump station, water treatment plant, pump station, and pressure facility necessary to provide water to its wholesale customers.

(e) The commission shall adopt rules to implement this section as an alternative to any rule requiring elevated storage.

(f) The commission shall provide an affected utility with access to the commission's financial, managerial, and technical contractors to assist the utility in complying with the applicable emergency preparedness plan submission deadline.

(g) The commission by rule shall create an emergency preparedness plan template for use by an affected utility when submitting a plan under this section. The emergency preparedness plan template shall contain:

(1) a list and explanation of the preparations an affected utility may make under Subsection (c) for the commission to approve the utility's emergency preparedness plan; and

(2) a list of all commission rules and standards pertaining to emergency preparedness plans.

(h) An emergency generator used as part of an approved emergency preparedness plan under Subsection (c) must be operated
and maintained according to the manufacturer's specifications.

(i) The commission shall inspect each utility to ensure that the utility complies with the approved plan.

(j) The commission may grant a waiver of the requirements of this section to an affected utility if the commission determines that compliance with this section will cause a significant financial burden on customers of the affected utility.

(k) An affected utility may adopt and enforce limitations on water use while the utility is providing emergency operations.

(l) Except as specifically required by this section, information provided by an affected utility under this section is confidential and is not subject to disclosure under Chapter 552, Government Code.

Sec. 13.1396. COORDINATION OF EMERGENCY OPERATIONS.

(a) In this section:

(1) "Affected utility" has the meaning assigned by Section 13.1395.

(2) "County judge" means a county judge or the person designated by a county judge.

(3) "Electric utility" means the electric transmission and distribution utility providing electric service to the water and wastewater facilities of an affected utility.

(4) "Retail electric provider" has the meaning assigned by Section 31.002, Utilities Code.

(b) An affected utility shall submit to the county judge, the office of emergency management of each county in which the utility has more than one customer, the Public Utility Commission
of Texas, and the office of emergency management of the governor, a

copy of:

(1) the affected utility's emergency preparedness plan
approved under Section 13.1395; and

(2) the commission's notification to the affected
utility that the plan is accepted.

(c) Each affected utility shall submit to the county judge
and the office of emergency management of each county in which the
utility has water and wastewater facilities that qualify for
critical load status under rules adopted by the Public Utility
Commission of Texas, and to the Public Utility Commission of Texas
and the division of emergency management of the governor:

(1) information identifying the location and
providing a general description of all water and wastewater
facilities that qualify for critical load status; and

(2) emergency contact information for the affected
utility, including:

(A) the person who will serve as a point of
contact and the person's telephone number;

(B) the person who will serve as an alternative
point of contact and the person's telephone number; and

(C) the affected utility's mailing address.

(d) An affected utility shall immediately update the
information provided under Subsection (c) as changes to the
information occur.

(e) Not later than February 1 of each year, the county judge
of each county that receives the information required by
Subsections (c) and (d) shall:

(1) submit the information for each affected utility to each retail electric provider that sells electric power to an affected utility and each electric utility that provides transmission and distribution service to an affected utility; and

(2) in cooperation with the affected utility, submit for each affected utility any forms reasonably required by an electric utility or retail electric provider for determining critical load status, including a critical care eligibility determination form or similar form.

(f) Not later than May 1 of each year, each electric utility and each retail electric provider shall determine whether the facilities of the affected utility qualify for critical load status under rules adopted by the Public Utility Commission of Texas.

(g) If an electric utility determines that an affected utility's facilities do not qualify for critical load status, the electric utility and the retail electric provider, not later than the 30th day after the date the electric utility or retail electric provider receives the information required by Subsections (c) and (d), shall provide a detailed explanation of the electric utility's determination to each county judge that submitted the information.

SECTION 2. (a) Not later than December 1, 2009, the Texas Commission on Environmental Quality shall adopt standards as required by Section 13.1395, Water Code, as added by this Act. As part of the rulemaking process, the commission shall conduct at least two public hearings in Harris County. The commission shall issue a report to the governor, lieutenant governor, and speaker of
the house of representatives if the commission is unable to adopt
the standards by the time provided by this subsection.

(b) Not later than November 1, 2009, each affected utility
shall submit the information required by Section 13.1396, Water
Code, as added by this Act, to:

(1) each appropriate county judge and office of
emergency management;

(2) the Public Utility Commission of Texas; and

(3) the office of emergency management of the
governor.

(c) Not later than March 1, 2010, each affected utility
shall submit to the Texas Commission on Environmental Quality the
emergency preparedness plan required by Section 13.1395, Water
Code, as added by this Act.

(d) Not later than July 1, 2010, each affected utility shall
implement the emergency preparedness plan approved by the Texas
Commission on Environmental Quality under Section 13.1395, Water
Code, as added by this Act.

(e) An affected utility may file with the Texas Commission
on Environmental Quality a written request for an extension, not to
exceed 90 days, of the date by which the affected utility is
required under Subsection (c) of this section to submit the
affected utility's emergency preparedness plan or of the date by
which the affected utility is required under Subsection (d) of this
section to implement the affected utility's emergency preparedness
plan. The Texas Commission on Environmental Quality shall approve
the requested extension for good cause shown.
SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2009.

President of the Senate

I hereby certify that S.B. No. 361 passed the Senate on April 8, 2009, by the following vote: Yeas 30, Nays 1; and that the Senate concurred in House amendments on May 30, 2009, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 361 passed the House, with amendments, on May 26, 2009, by the following vote: Yeas 146, Nays 0, two present not voting.

Chief Clerk of the House

Approved:

Date

Governor