

1 AN ACT  
2 relating to recovery of certain transmission investments of  
3 electric utilities.

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

5 SECTION 1. Subchapter E, Chapter 36, Utilities Code, is  
6 amended by adding Section 36.209 to read as follows:

7 Sec. 36.209. RECOVERY BY CERTAIN NON-ERCOT UTILITIES OF  
8 CERTAIN TRANSMISSION COSTS. (a) This section applies only to an  
9 electric utility that operates solely outside of ERCOT in areas of  
10 this state included in the Southwest Power Pool or the Western  
11 Electricity Coordinating Council and that owns or operates  
12 transmission facilities.

13 (b) The commission, after notice and hearing, may allow an  
14 electric utility to recover on an annual basis its reasonable and  
15 necessary expenditures for transmission infrastructure improvement  
16 costs and changes in wholesale transmission charges to the electric  
17 utility under a tariff approved by a federal regulatory authority  
18 to the extent that the costs or charges have not otherwise been  
19 recovered. The commission may allow the electric utility to  
20 recover only the costs allocable to retail customers in the state  
21 and may not allow the electric utility to over-recover costs.

22 SECTION 2. This Act takes effect immediately if it receives  
23 a vote of two-thirds of all the members elected to each house, as  
24 provided by Section 39, Article III, Texas Constitution. If this

- 1 Act does not receive the vote necessary for immediate effect, this
- 2 Act takes effect September 1, 2005.

David Bushurst

President of the Senate

Jim Cusick

Speaker of the House

I certify that H.B. No. 989 was passed by the House on April 29, 2005, by the following vote: Yeas 137, Nays 4, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 989 on May 26, 2005, by the following vote: Yeas 138, Nays 6, 2 present, not voting.

Robert Haney  
Chief Clerk of the House

I certify that H.B. No. 989 was passed by the Senate, with amendments, on May 24, 2005, by the following vote: Yeas 31, Nays 0.

Datoy Spaw  
Secretary of the Senate

APPROVED: 18 JUNE '05

Date

Rick Perry  
Governor

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE  
12:20 PM O'CLOCK

JUN 18 2005  
Roger Williams  
Secretary of State