

By: Christian H.B. No. 2999

A BILL TO BE ENTITLED

AN ACT

relating to the generation of hydroelectric power by the Sabine River Authority in the Toledo Bend Reservoir.

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

SECTION 1. Section 14, Chapter 110, Acts of the 51st Legislature, Regular Session, 1949 (Article 8280-133, Vernon's Texas Civil Statutes), is amended by amending Subsection (k) and adding Subsections (k-1), (k-2), and (o-1) to read as follows:

(k) Except as provided by Subsection (k-1), the [The] district may provide for the control, storing and employment of said waters in the development and distribution of hydro-electric power, where such use may be economically coordinated with other and superior uses, and subordinated to the uses declared by law to be superior.

(k-1) The district may not use or sell the use of the waters of the Toledo Bend Reservoir to generate hydro-electric power if the mean sea level of the reservoir is below 168 feet, unless:

(1) the Federal Energy Regulatory Commission or another federal agency orders or requires a reduction in the water level of the reservoir to inspect or repair the dam;

(2) the failure to use or sell the use of the waters of the reservoir to generate hydro-electric power will result in a supply of electric power that does not meet the demand of the firm or uninterruptible users of the power; or  
(3) the failure to use the reservoir waters to generate hydro-electric power will result in the failure to satisfy minimum down-river flow requirements necessary to:

(A) meet water sales from the diversion canals of the Sabine River channel and diversion system; and

(B) deter saltwater encroachment.

(k-2) If the district does not sell the use of the waters of the Toledo Bend Reservoir because Subsection (k-1) applies, the difference between the price paid by the electric utility to purchase power on the open market and the price the electric utility would have paid for hydro-electric power from the district does not affect existing or future system power agreements between multi-state electric utilities.

(o-1) The board of directors of the district may charge an electric utility the current market rate for hydro-electric power.

SECTION 2. 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, 2007.