

- SUBJECT:** Creating the Electric Grid Security Advisory Committee
- COMMITTEE:** State Affairs — committee substitute recommended
- VOTE:** 11 ayes — Cook, Giddings, Craddick, Farrar, Guillen, K. King, Kuempel, Meyer, Paddie, E. Rodriguez, Smithee
- 0 nays
- 2 absent — Geren, Oliveira
- WITNESSES:** For — Tom Glass, Protect the Texas Grid; Thomas Brocato, Steering Committee of Cities Served by Oncor and TCAP; Donald A. Loucks; (*Registered, but did not testify*: Adam Cahn, Cahnman's Musings; Ann Hettinger, Center for the Preservation of American Ideals; William Scott, Exelon Generation; Parker McCollough, NRG Energy, Inc.; Brent Chaney, Vistra Energy, TXU Energy, Luminant; Cindy Asmussen; Trayce Bradford; Ken Clark; Dana Hodges)
- Against — None
- On — Julia Rathgeber, Association of Electric Companies of Texas; Phillip Oldham, Texas Association of Manufacturers; (*Registered, but did not testify*: Dan Woodfin, Electric Reliability Council of Texas; Brian Lloyd, Public Utility Commission; Nim Kidd, TxDPS-TDEM)
- BACKGROUND:** Concerns have been raised about the vulnerability of Texas' electric grid to cybersecurity threats and electromagnetic pulses generated from either a severe act of nature or a manmade attack. Given the unique condition that Texas is primarily on its own electric grid, some contend that it is necessary to assess the current state of the grid and make improvements to address any potential threat to public safety.
- DIGEST:** CSHB 787 would create the Electric Grid Security Advisory Committee to study electric utility facilities located in the Electric Reliability Council of Texas (ERCOT) power region and their vulnerability to

electromagnetic pulse and cybersecurity threats.

**Membership.** The governor would appoint to the committee eight members that have certain professional experience and technical training. Four members would study electromagnetic pulse threats, and four would study cybersecurity. The governor would be required to appoint the members within 120 days after the effective date of the bill.

The committee would be required to convene at the call of the designated presiding officer. A member would not be entitled to compensation but would be entitled to reimbursement for travel expenses as provided by law.

**Duties.** The study would have to:

- evaluate and summarize the current state of the electric grid and associated computer systems and networks;
- consider potential security threats;
- assess whether further efforts were needed to secure the electric grid and associated computer systems against certain natural and manmade threats and recommend measures to protect the grid; and
- develop a strategy to protect and prepare critical infrastructure in the ERCOT region against threats.

ERCOT would be required to cooperate with the committee and provide any relevant information. The committee could use research and data on electromagnetic pulse threats and cybersecurity gathered by the Electric Power Research Institute.

**Report.** A report of the committee's findings, including any recommendations for legislation, would be submitted to the governor by December 1, 2018.

**Applicable law.** The committee would not be subject to laws governing state agency advisory committees.

The committee's meetings, work, and findings would not be subject to laws governing open meetings or public information. Each member would be required to sign a nondisclosure agreement stating that the member would not disclose to the public any sensitive or identifiable information related to grid security measures or plans.

**Information related to grid security.** An independent organization established by a power region would be required to collect and compile information related to the security of the electric grid. This information would be confidential and not subject to disclosure under public information laws.

**Date committee abolished.** The Electric Grid Security Advisory Committee would be abolished December 31, 2018.

**Effective date.** This 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, 2017.