



## Public Utility Commission of Texas

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# New PUCT Rules Increase Consumer Protections in Use of Mobile Power Generation by Electric Utilities

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**AUSTIN, Texas** – The Public Utility Commission of Texas (PUCT) today adopted rules that will protect consumers by introducing new requirements for utilities that lease and deploy mobile generation facilities. Mobile generation facilities are power generating resources that can be positioned to temporarily provide electricity to consumers during an emergency.

“Our top priority is ensuring reliable electricity for all Texas consumers, and back-up mobile generation facilities can be important tools for utilities to have in an emergency,” PUCT Chairman Thomas Gleeson said. “It’s also critical we focus on affordability. The rules we approved today make clear that the PUCT requires utilities to acquire mobile generation units that are the right size, the most cost-efficient option, and ready to provide backup power to consumers when they need it most.”

The new rule, [§25.56](#), implements [House Bill 2483](#), which was passed by the 87<sup>th</sup> Texas Legislature and signed into law by Governor Greg Abbott in 2021. The rule establishes the process and requirements for transmission and distribution utilities (TDU) in the Electric Reliability Council of Texas (ERCOT) region that lease, deploy, and seek to recover the cost of mobile generation facilities, also known as temporary emergency electric energy facilities (TEEEF).

First, the rule requires that TDUs receive PUCT approval to lease mobile generation. A utility must submit an application that outlines, among other details, their prior experience using mobile generation, the total generating capacity the TDU is requesting permission to lease, the intended use-cases for each of the units, and an explanation of why leasing mobile generation is reasonable and necessary. Applications will be processed as contested cases at the PUCT, and any interested stakeholders will have a 30-day window to intervene in the proceeding. Without PUCT approval of the application, TDUs will not be permitted to enter into lease agreements for mobile generation.



The rule also requires utilities that have leases for mobile generation to submit after-action reports to the PUCT detailing if, and how, the mobile generation was deployed and used to restore power to customers during a “significant power outage,” a term that is defined in the rule. If the utility’s mobile generation assets were not used to restore power to customers during a significant power outage, the after-action report must explain why. A utility that insufficiently justifies its failure to deploy a mobile generation facility during an emergency may have its rates lowered in a future proceeding.

The rule also outlines how a utility can, through established PUCT rate proceeding processes, request to recover the cost of leasing and deploying mobile generation through rates charged to its customers. All after-action reports detailing how the utility has deployed its mobile generation units must be submitted as part of a utility’s application to recover costs. If during any mobile generation-related rate proceeding, the Commission determines a utility has recovered amounts that are unreasonable, unnecessary, or imprudent, the Commission can initiate a compliance hearing to determine appropriate refunds to ratepayers or other solutions.

Procedures for streamlined procurement of mobile generation during an emergency and protocols for how and when a utility must inform ERCOT of its plans to deploy mobile generation are also outlined in the rule.

Utilities that already had active leases for mobile generation prior to the effective date of the rule are grandfathered into many of the requirements.

The rule is available in full in PUCT Docket [No. 53404](#).

### **About the Public Utility Commission of Texas**

Our mission is to serve Texans by regulating the state’s electric, telecommunication, and water and sewer utilities, implementing respective legislation, and offering customer assistance in resolving consumer complaints. Since its founding in 1975, the Commission has a long and proud history of service to Texas, protecting customers, fostering competition, and promoting high quality infrastructure. To learn more, please visit <https://www.puc.texas.gov>.