

1-1 By: Schwertner, Zaffirini S.B. No. 1872
 1-2 (In the Senate - Filed March 8, 2023; March 20, 2023, read
 1-3 first time and referred to Committee on Business & Commerce;
 1-4 May 1, 2023, reported adversely, with favorable Committee
 1-5 Substitute by the following vote: Yeas 10, Nays 1; May 1, 2023,
 1-6 sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8 Schwertner	X			
1-9 King	X			
1-10 Birdwell		X		
1-11 Campbell	X			
1-12 Creighton	X			
1-13 Johnson	X			
1-14 Kolkhorst	X			
1-15 Menéndez	X			
1-16 Middleton	X			
1-17 Nichols	X			
1-18 Zaffirini	X			

1-20 COMMITTEE SUBSTITUTE FOR S.B. No. 1872 By: Schwertner

1-21 A BILL TO BE ENTITLED
 1-22 AN ACT

1-23 relating to certain contracts for the sale, transportation, or
 1-24 gathering of natural gas.

1-25 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-26 SECTION 1. Section 81.060, Natural Resources Code, is
 1-27 amended by adding Subsections (c) and (d) to read as follows:

1-28 (c) A confidentiality provision may not be required in a
 1-29 contract between the owner or operator of a pipeline and a shipper
 1-30 for the sale, transportation, or gathering of natural gas that is
 1-31 entered into on or after September 1, 2023, unless the inclusion of
 1-32 the confidentiality provision is requested in writing by one of the
 1-33 parties to the contract before the execution of the contract.

1-34 (d) A confidentiality provision in a contract between the
 1-35 owner or operator of a pipeline and a shipper for the sale,
 1-36 transportation, or gathering of natural gas that was entered into
 1-37 before September 1, 2023, becomes unenforceable on the date the
 1-38 term of the contract expires, unless the continuation of the
 1-39 confidentiality provision is requested in writing by one of the
 1-40 parties to the contract before the date the term of the contract
 1-41 expires.

1-42 SECTION 2. Subchapter C, Chapter 86, Natural Resources
 1-43 Code, is amended by adding Section 86.045 to read as follows:

1-44 Sec. 86.045. INVESTIGATION OF USE OF FORCE MAJEURE. (a)
 1-45 During a weather emergency, a purchaser of natural gas that
 1-46 receives a notice from a person with which the purchaser contracted
 1-47 to receive natural gas that the person can no longer make natural
 1-48 gas available for delivery to the purchaser due to force majeure may
 1-49 report to the commission that:

1-50 (1) the purchaser received the notice; and
 1-51 (2) the purchaser reasonably believes that the person
 1-52 sold the natural gas that would have otherwise been available for
 1-53 delivery to the purchaser to a different purchaser at a higher price
 1-54 than that provided in the original purchaser's contract.

1-55 (b) On receiving the report under Subsection (a), the
 1-56 commission may investigate to determine whether a person providing
 1-57 natural gas service has made a sale described by Subsection (a)(2)
 1-58 in a manner that violates state law. If the commission determines
 1-59 that the person has made a sale described by Subsection (a)(2) in a
 1-60 manner that violates state law, the commission may notify the

2-1 attorney general. The attorney general may initiate a suit to
2-2 recover any penalties authorized by law.

2-3 SECTION 3. This Act takes effect September 1, 2023.

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