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## Public Utility Commission of Texas

## Commissioner Memorandum 2007 MAY 12 PM 12: 26

TO:

Commissioner Arthur C. D'Andrea

Commissioner Shelly Botkin

FROM:

Chairman DeAnn T. Walker

DATE:

May 12, 2020

RE:

May 14, 2020 Open Meeting – Item No. 15

Project No. 49819 – Rulemaking Relating to Cybersecurity Monitor

I want to thank the Commission Staff for their dedicated work to get this rule before the Commission for adoption. Senate Bill 64 and Senate Bill 936 are significant legislative actions that provided the Commission with important authority to address cybersecurity in the electric industry. I propose two changes to the proposed rule as set out below. If these changes are made, then the Commission Staff will need to modify the preamble accordingly.

First, I propose deleting § 25.367(g)(3). I believe that whether the cybersecurity monitor has enforcement authority is determined by the enabling statute. I do not believe that the Commission should address such authority through this rulemaking, because it is unnecessary. Therefore, I recommend deleting that paragraph.

Second, I propose modifying § 25.367(h)(1)(A) because I am not sure what it means to "have a specific interest in the commission's regulation." Upon discussions with the Commission Staff, it seems that the language was in the Request for Proposal that was issued for the Cybersecurity Monitor and within that document it had meaning. However, as included in the proposed rule, I do not believe it is necessary. Therefore, I recommend deleting the phrase.

- (1) During the period of a person's service with the cybersecurity monitor, the person must not:
  - (A) have a specific interest in the commission's regulation and must not have a direct financial interest in the provision of electric service in the state of Texas; or have a current contract to perform services for any entity as described by PURA §31.051 or a corporation described by PURA §32.053.

I look forward to discussing this matter with you at the open meeting.