

By: Menéndez, et al.
(Anchía)

S.B. No. 114

Substitute the following for S.B. No. 114:

By: Hernandez

C.S.S.B. No. 114

A BILL TO BE ENTITLED

AN ACT

relating to the provision of electricity service in the ERCOT power region.

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

SECTION 1. Section 39.101(b), Utilities Code, is amended to read as follows:

(b) A customer is entitled:

(1) to be informed about rights and opportunities in the transition to a competitive electric industry;

(2) to choose the customer's retail electric provider consistent with this chapter, to have that choice honored, and to assume that the customer's chosen provider will not be changed without the customer's informed consent;

(3) to have access to providers of energy efficiency services, to on-site distributed generation, and to providers of energy generated by renewable energy resources;

(4) to be served by a provider of last resort that offers a commission-approved standard service package;

(5) to receive sufficient information to make an informed choice of service provider;

(6) to be protected from unfair, misleading, or deceptive practices, including protection from being billed for services that were not authorized or provided; ~~and~~

(7) to have an impartial and prompt resolution of

1 disputes with its chosen retail electric provider and transmission
2 and distribution utility;

3 (8) to participation in demand response programs
4 through retail electric providers that offer demand response
5 programs; and

6 (9) to receive notice from the retail electric
7 provider that serves the customer when the independent organization
8 certified under Section 39.151 for the ERCOT power region issues an
9 emergency energy alert.

10 SECTION 2. Subchapter 2, Chapter 39, Utilities Code, is
11 amended by adding Section 39.919 to read as follows:

12 Sec. 39.919. AVERAGE TOTAL RESIDENTIAL LOAD REDUCTION
13 GOALS. (a) The commission by rule shall establish goals in the
14 ERCOT power region to reduce the average total residential load.

15 (b) The rules adopted under Subsection (a) must provide for
16 the adoption of a program that:

17 (1) provides demand response participation to
18 residential customers where reasonably available;

19 (2) promotes the use of smart metering technology;

20 (3) is capable of responding to an emergency energy
21 alert about low operating reserves issued by the independent
22 organization certified under Section 39.151 for the ERCOT power
23 region;

24 (4) provides opportunities for demand response
25 providers to contract with retail electric providers to provide
26 demand response services;

27 (5) ensures the program does not impact the critical

1 needs of vulnerable populations;

2 (6) facilitates the widespread deployment of smart
3 responsive appliances and devices in a manner that enables the
4 customer's appliance or device to be enrolled as part of a demand
5 response product or plan offered by a retail electric provider;

6 (7) establishes the method by which the components of
7 the ratio described by Subsection (c) are calculated for purposes
8 of determining whether the goals described by Subsection (a) have
9 been achieved;

10 (8) provides for achievement of demand reductions
11 within both summer and winter seasons; and

12 (9) allows a retail electric provider that offers a
13 demand response program under this section to obtain funding for
14 the demand response program through an energy efficiency incentive
15 program established under Section 39.905 if the program complies
16 with commission requirements adopted under Section 39.905.

17 (c) The goals described by Subsection (a) must be calculated
18 as a ratio by dividing the amount of load reduced at peak demand by
19 the total amount of demand, at the same time, of all residential
20 customers who have responsive appliances or devices at their
21 premises that reduce the electric consumption of the customers.

22 (d) A transmission and distribution utility required to
23 provide an energy efficiency incentive program under Section 39.905
24 may use up to 10 percent of the budgeted spending for those programs
25 on demand response programs described by Subsection (b)(9).

26 SECTION 3. The Public Utility Commission of Texas shall
27 adopt rules as necessary for the adoption of a program to begin

1 facilitating the widespread deployment of appliances and devices
2 capable of being part of a demand response product or plan offered
3 by a retail electric provider, as provided by Section 39.919(b)(6),
4 Utilities Code, as added by this Act, before December 31, 2024.

5 SECTION 4. This Act takes effect immediately if it receives
6 a vote of two-thirds of all the members elected to each house, as
7 provided by Section 39, Article III, Texas Constitution. If this
8 Act does not receive the vote necessary for immediate effect, this
9 Act takes effect September 1, 2023.