By: Menéndez S.B. No. 114

## A BILL TO BE ENTITLED

1 AN ACT
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- 2 relating to the provision of electricity service in the ERCOT power
- 3 region.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 5 SECTION 1. Section 39.101(b), Utilities Code, is amended to
- 6 read as follows:
- 7 (b) A customer is entitled:
- 8 (1) to be informed about rights and opportunities in
- 9 the transition to a competitive electric industry;
- 10 (2) to choose the customer's retail electric provider
- 11 consistent with this chapter, to have that choice honored, and to
- 12 assume that the customer's chosen provider will not be changed
- 13 without the customer's informed consent;
- 14 (3) to have access to providers of energy efficiency
- 15 services, to on-site distributed generation, and to providers of
- 16 energy generated by renewable energy resources;
- 17 (4) to be served by a provider of last resort that
- 18 offers a commission-approved standard service package;
- 19 (5) to receive sufficient information to make an
- 20 informed choice of service provider;
- 21 (6) to be protected from unfair, misleading, or
- 22 deceptive practices, including protection from being billed for
- 23 services that were not authorized or provided; [and]
- 24 (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 and demand response providers;
- 5 <u>and</u>
- 6 (9) to receive notice from the retail electric
- 7 provider that serves the customer:
- 8 (A) when the independent organization certified
- 9 under Section 39.151 for the ERCOT power region issues an emergency
- 10 energy alert about low operating reserves to providers of
- 11 generation in the power region; or
- 12 (B) of planned outages and the length of time the
- 13 outages are expected to last.
- 14 SECTION 2. Subchapter Z, Chapter 39, Utilities Code, is
- 15 amended by adding Section 39.919 to read as follows:
- Sec. 39.919. RESIDENTIAL DEMAND RESPONSE PROGRAM. (a) The
- 17 commission by rule shall require each retail electric provider in
- 18 the ERCOT power region to create a residential demand response
- 19 program to reduce the average total residential load by at least:
- 20 (1) one percent of peak summer and winter demand by
- 21 <u>December 31, 2024;</u>
- 22 (2) two percent of peak summer and winter demand by
- 23 <u>December 31, 2025;</u>
- 24 (3) three percent of peak summer and winter demand by
- 25 December 31, 2026; and
- 26 (4) five percent of peak summer and winter demand by
- 27 December 31, 2027.

- 1 <u>(b) The rules must:</u>
- 2 (1) ensure that demand response participation is
- 3 reasonably available to residential customers;
- 4 (2) promote the use of smart metering technology;
- 5 (3) ensure that demand response programs are capable
- 6 of responding to an emergency energy alert about low operating
- 7 reserves issued by the independent organization certified under
- 8 Section 39.151 for the ERCOT power region;
- 9 (4) provide opportunities for demand response
- 10 providers to contract with retail electric providers to provide
- 11 demand response services; and
- 12 (5) ensure the program does not impact the critical
- 13 needs of vulnerable populations.
- 14 SECTION 3. This Act takes effect immediately if it receives
- 15 a vote of two-thirds of all the members elected to each house, as
- 16 provided by Section 39, Article III, Texas Constitution. If this
- 17 Act does not receive the vote necessary for immediate effect, this
- 18 Act takes effect September 1, 2023.