By: LaMantia

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## A BILL TO BE ENTITLED

## AN ACT

2 relating to advanced metering and meter information networks.

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

4 SECTION 1. Section 39.107, Utilities Code, is amended by 5 amending Subsection (h) and adding Subsections (h-1) and (l) to 6 read as follows:

7 (h) Except as provided by Subsection (h-1), the [The] commission shall establish a nonbypassable surcharge for an 8 9 electric utility or transmission and distribution utility to use to recover reasonable and necessary costs incurred in deploying 10 11 advanced metering and meter information networks to residential 12 customers and nonresidential customers other than those required by the independent system operator to have an interval data recorder 13 The commission shall ensure that the nonbypassable 14 meter. surcharge reflects a deployment of advanced meters that is no more 15 16 than one-third of the utility's total meters over each calendar year and shall ensure that the nonbypassable surcharge does not 17 result in the utility recovering more than its actual, fully 18 allocated meter and meter information network costs. The expenses 19 20 must be allocated to the customer classes receiving the services, 21 based on the electric utility's most recently approved tariffs.

22 (h-1) The surcharge established under Subsection (h) does 23 not apply to costs incurred in the replacement or upgrading of 24 advanced metering and meter information networks by an electric

1 <u>utility or transmission and distribution utility after initial</u> 2 <u>deployment. An electric utility or transmission and distribution</u> 3 <u>utility may request recovery of reasonable and necessary costs</u> 4 <u>incurred in the replacement or upgrading of advanced metering and</u> 5 <u>meter information networks through a proceeding under Section</u> 6 <u>36.210 or in another ratemaking proceeding.</u>

7 (1) The commission by rule shall require the independent 8 system operator for the ERCOT power region to maintain an Internet portal that allows a customer of a transmission and distribution 9 utility receiving service in the ERCOT power region or the 10 customer's authorized representative to access usage data from the 11 12 customer's meter. The commission may not require a transmission and distribution utility to maintain an Internet portal described by 13 this subsection. 14

15 SECTION 2. Section 39.402(e), Utilities Code, is amended to 16 read as follows:

17 (e) Notwithstanding Subsection (a), an electric utility subject to this subchapter that elects to deploy advanced metering 18 19 and meter information networks may recover reasonable and necessary costs incurred in deploying advanced metering and meter information 20 networks. An electric utility that elects to deploy advanced 21 metering or meter information networks is subject to commission 22 23 rules adopted under Sections 39.107(h), (h-1), and (k). The 24 commission shall ensure that any deployment plan approved under this section and any related customer surcharge: 25

(1) are not applicable to customer accounts that
27 receive service at transmission voltage; and

(2) are consistent with commission rules related to
 advanced metering systems regarding:

3 (A) customer protections;
4 (B) data security, privacy, and ownership; and
5 (C) options given consumers to continue to
6 receive service through a non-advanced meter.

7 SECTION 3. Section 39.452(k), Utilities Code, is amended to 8 read as follows:

Notwithstanding Subsection (d), an electric utility 9 (k) 10 subject to this subchapter that elects to deploy advanced metering and meter information networks may recover reasonable and necessary 11 12 costs incurred in deploying advanced metering and meter information An electric utility that elects to deploy advanced 13 networks. metering or meter information networks is subject to commission 14 15 rules adopted under Sections 39.107(h), (h-1), and (k). The commission shall ensure that any deployment plan approved under 16 17 this section and any related customer surcharge:

18 (1) are not applicable to customer accounts that19 receive service at transmission voltage; and

20 (2) are consistent with commission rules related to21 advanced metering systems regarding:

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(A) customer protections;

(B) data security, privacy, and ownership; and
 (C) options given consumers to continue to
 receive service through a non-advanced meter.

26 SECTION 4. Section 39.5021(a), Utilities Code, is amended 27 to read as follows:

Notwithstanding Section 39.502, an electric utility 1 (a) subject to this subchapter that elects to deploy advanced metering 2 3 and meter information networks may recover reasonable and necessary costs incurred in deploying advanced metering and meter information 4 networks. An electric utility that elects to deploy advanced 5 metering or meter information networks is subject to commission 6 rules adopted under Sections 39.107(h), (h-1), and (k). 7 The commission shall ensure that any deployment plan approved under 8 this section and any related customer surcharge: 9

10 (1) are not applicable to customer accounts that 11 receive service at transmission voltage; and

12 (2) are consistent with commission rules related to13 advanced metering systems regarding:

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(A) customer protections;

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(B) data security, privacy, and ownership; and

16 (C) options given consumers to continue to 17 receive service through a non-advanced meter.

SECTION 5. Section 39.5521(a), Utilities Code, is amended to read as follows:

(a) Notwithstanding Section 39.552, an electric utility 20 subject to this subchapter that elects to deploy advanced metering 21 and meter information networks may recover reasonable and necessary 22 23 costs incurred in deploying advanced metering and meter information 24 networks. An electric utility that elects to deploy advanced metering or meter information networks is subject to commission 25 26 rules adopted under Sections 39.107(h), (h-1), and (k). The 27 commission shall ensure that any deployment plan approved under

1 this section and any related customer surcharge:

2 (1) are not applicable to customer accounts that 3 receive service at transmission voltage; and

4 (2) are consistent with commission rules related to 5 advanced metering systems regarding:

6 (A) customer protections;

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(B) data security, privacy, and ownership; and

8 (C) options given consumers to continue to9 receive service through a non-advanced meter.

10 SECTION 6. This Act takes effect immediately if it receives 11 a vote of two-thirds of all the members elected to each house, as 12 provided by Section 39, Article III, Texas Constitution. If this 13 Act does not receive the vote necessary for immediate effect, this 14 Act takes effect September 1, 2023.