

By: Barrientos

S.B. No. 1164

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to customer safeguards concerning billing for electric  
3 service by municipally owned utilities.

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

5 SECTION 1. Section 17.005, Utilities Code, is amended to  
6 read as follows:

7 Sec. 17.005. PROTECTIONS FOR CUSTOMERS OF MUNICIPALLY OWNED  
8 UTILITIES. (a) A municipally owned utility may not be deemed to be  
9 a "service provider" or "billing agent" for purposes of Sections  
10 17.156(b) and (e). The governing body of a municipally owned  
11 utility shall adopt, implement, and enforce rules that shall have  
12 the effect of accomplishing the objectives set out in Sections  
13 17.004(a) and (b) and 17.102, as to the municipally owned utility  
14 within its certificated service area. The governing body of a  
15 municipally owned utility or its designee shall perform the dispute  
16 resolution function provided for by Section 17.157 for disputes  
17 arising from services provided by the municipally owned utility to  
18 electric customers served within the municipally owned utility's  
19 certificated service area. With respect to electric customers  
20 served by a municipally owned utility outside its certificated  
21 service area or otherwise served through others' distribution  
22 facilities, after retail competition begins as authorized by the  
23 legislature, the provisions of this chapter as administered by the  
24 commission apply. Nothing in this chapter shall be deemed to apply

1 to a wholesale customer of a municipally owned utility.

2 (b) A municipally owned utility that bills a customer for  
3 charges for which the customer was previously underbilled shall:

4 (1) state clearly on the invoice which charges were  
5 underbilled;

6 (2) include on the invoice or together with the  
7 invoice a notice of whether the municipality offers a payment plan  
8 to pay the previously underbilled charges over time, and if so, how  
9 to apply for the plan; and

10 (3) include on the invoice or together with the  
11 invoice customer service contact information.

12 (c) A municipally owned utility may substitute for the  
13 information required by Subsection (b)(1) a notice included with  
14 the invoice that states that the invoice includes previously  
15 underbilled charges.

16 SECTION 2. This Act takes effect September 1, 2003.