

By: Lucio

S.B. No. 1201

A BILL TO BE ENTITLED

AN ACT

relating to customers of the state power program.

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

SECTION 1. Section 35.101(2), Utilities Code, is amended to read as follows:

(2) "Public retail customer" means a retail customer that is an agency of this state, a state institution of higher education, a public school district, a person who holds an oil and gas lease granted under Chapter 52, Natural Resources Code, or a political subdivision of this state.

SECTION 2. Section 35.102, Utilities Code, is amended to read as follows:

Sec. 35.102. STATE AUTHORITY TO SELL OR CONVEY POWER. The commissioner, acting on behalf of the state, may sell or otherwise convey power generated from royalties taken in kind as provided by Sections 52.133(f), 53.026, and 53.077, Natural Resources Code, directly to a public retail customer regardless of whether the public retail customer is also classified as a wholesale customer under other provisions of this title. To ensure that the state receives the maximum benefit from the sale of power generated from royalties taken in kind, the commissioner shall use all feasible means to sell that power first to public retail customers that are agencies of this state, institutions of higher education, or public school districts. The remainder of the power, if any, may be sold

1 to other public retail customers [~~that are political subdivisions~~
2 ~~of this state~~].

3 SECTION 3. This Act takes effect immediately if it receives
4 a vote of two-thirds of all the members elected to each house, as
5 provided by Section 39, Article III, Texas Constitution. If this
6 Act does not receive the vote necessary for immediate effect, this
7 Act takes effect September 1, 2003.