

AN ACT

relating to the regulation of certain successors of electric cooperatives.

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

SECTION 1. Subdivision (9), Section 11.003, Utilities Code, is amended to read as follows:

(9) "Electric cooperative" means:

(A) a corporation organized under Chapter 161 or a predecessor statute to Chapter 161 and operating under that chapter; or

(B) a corporation organized as an electric cooperative in a state other than Texas that has obtained a certificate of authority to conduct affairs in the State of Texas~~+~~  
~~or~~

~~[(C) a successor to an electric cooperative created before June 1, 1999, in accordance with a conversion plan approved by a vote of the members of the electric cooperative, regardless of whether the successor later purchases, acquires, merges with, or consolidates with other electric cooperatives].~~

SECTION 2. Section 39.102, Utilities Code, is amended by adding Subsections (d) and (e) to read as follows:

(d) The commission shall oversee the compliance with this chapter by electric utilities that were not subject to this chapter before September 1, 2003, and in so doing shall establish schedules

1 and procedures and require commission approvals as it deems  
2 necessary to achieve the objectives of this chapter. This  
3 subsection does not apply to an electric utility to which  
4 Subsection (c) applies.

5 (e) In establishing a schedule under Subsection (d), the  
6 commission shall consider:

7 (1) the effect of customer choice on the reliability  
8 of service provided by the electric utility;

9 (2) whether the electric utility's service area is  
10 located in more than one power region;

11 (3) whether any applicable power region has been  
12 certified as a qualifying power region under Section 39.152(a);

13 (4) whether other electric utilities in the power  
14 region offer retail customer choice; and

15 (5) any other relevant factor.

16 SECTION 3. Section 41.063, Utilities Code, is repealed.

17 SECTION 4. This Act takes effect September 1, 2003.

S.B. No. 1280

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

I hereby certify that S.B. No. 1280 passed the Senate on April 15, 2003, by a viva-voce vote.

\_\_\_\_\_  
Secretary of the Senate

I hereby certify that S.B. No. 1280 passed the House on May 16, 2003, by a non-record vote.

\_\_\_\_\_  
Chief Clerk of the House

Approved:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Governor