

By: Fraser S.B. No. 1280  
(In the Senate - Filed March 12, 2003; March 19, 2003, read first time and referred to Committee on Business and Commerce; March 26, 2003, reported favorably by the following vote: Yeas 6, Nays 0; March 26, 2003, sent to printer.)

A BILL TO BE ENTITLED  
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 and procedures and require commission approvals as it deems necessary to achieve the objectives of this chapter. This subsection does not apply to an electric utility to which Subsection (c) applies.

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

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

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

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

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

(5) any other relevant factor.

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 Section 41.063, Utilities Code, is repealed.

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

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