

By: Farabee

H.B. No. 160

A BILL TO BE ENTITLED

1 AN ACT

2 relating to providing a discounted rate for electricity provided to
3 school districts.

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

5 SECTION 1. The heading to Section 36.351, Utilities Code,
6 is amended to read as follows:

7 Sec. 36.351. DISCOUNTED RATES FOR PUBLIC SCHOOL DISTRICTS
8 AND CERTAIN INSTITUTIONS OF HIGHER EDUCATION.

9 SECTION 2. Sections 36.351(a), (d), (e), and (f) are
10 amended to read as follows:

11 (a) Notwithstanding any other provision of this title, each
12 electric utility and municipally owned utility shall discount
13 charges for electric service provided to a facility of a public
14 school district or a facility of a four-year state university,
15 upper-level institution, Texas State Technical College, or
16 college.

17 (d) A municipally owned utility is exempt from this section
18 if the municipally owned utility:

19 (1) [~~7~~] on September 1, 1995, discounted base
20 commercial rates for electric service provided to all four-year
21 state universities or colleges in its service area by 20 percent or
22 more; or

23 (2) on September 1, 2006, discounted base commercial
24 rates for electric service provided to all school district

1 facilities in its service area by 20 percent or more.

2 (e) This section does not apply to a rate charged to an
3 institution of higher education by a municipally owned utility that
4 provides a discounted rate to the state for electric services below
5 rates in effect on January 1, 1995, or to a rate charged to a school
6 district by a municipally owned utility that provides a discount to
7 the school district for electric service below rates in effect on
8 September 1, 2006, if the discounted rate provides a greater
9 financial discount to the state or to the school district than is
10 provided to the institution of higher education or school district
11 through the discount provided by this section.

12 (f) An investor-owned electric utility may not recover from
13 residential customers or any other customer class the assigned and
14 allocated costs of serving a school district or a state university
15 or college that receives a discount under this section.

16 SECTION 3. This Act takes effect September 1, 2006.