

By: Carona

S.B. No. 711

A BILL TO BE ENTITLED

AN ACT

relating to metering services provided to certain electricity customers.

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

SECTION 1. Section 39.107, Utilities Code, is amended by amending Subsections (a) and (b) and by adding Subsections (a-1), (h), and (i) to read as follows:

(a) In this section, "large commercial and industrial customers" includes:

(1) nonresidential customers with a peak demand greater than 200 kilowatts; and

(2) nonresidential customers that:

(A) are commonly owned or are franchisees of the same franchisor; and

(B) have an aggregated peak demand greater than 200 kilowatts.

(a-1) On introduction of customer choice in a service area, metering services for the area shall continue to be provided by the transmission and distribution utility affiliate of the electric utility that was serving the area before the introduction of customer choice. The commission shall determine a schedule for making metering [Metering] services available [provided] to large commercial and industrial customers [shall be provided] on a competitive basis [beginning on January 1, 2004].

1 (b) Metering services provided to residential customers and  
2 to commercial customers other than large commercial and industrial  
3 customers shall continue to be provided by the transmission and  
4 distribution utility affiliate of the electric utility that was  
5 serving the area before the introduction of customer choice [~~until~~  
6 ~~the later of September 1, 2005, or the date on which at least 40~~  
7 ~~percent of those residential customers are taking service from~~  
8 ~~unaffiliated retail electric providers~~]. Metering and billing  
9 services provided to residential customers shall be governed by the  
10 customer safeguards adopted by the commission under Section 39.101.

11 (h) The transmission and distribution utility affiliate  
12 that was serving the area before the introduction of customer  
13 choice shall deploy advanced meter information networks to  
14 residential customers and commercial customers other than large  
15 commercial and industrial customers. The commission shall require  
16 advanced digital meters that meet commission requirements to be  
17 used in new construction. The commission shall determine a  
18 schedule for deploying advanced meter information networks  
19 required under this subsection that includes standards for  
20 equipment, communications, and information technology and access.  
21 The standards must facilitate system capabilities such as:

- 22 (1) automatic meter-reading;  
23 (2) load control;  
24 (3) demand response;  
25 (4) interval information;  
26 (5) time of use and critical peak pricing;  
27 (6) outage assessment;

- 1           (7) remote service connection and disconnection;  
2           (8) detection of tampering and theft; and  
3           (9) easy access to generated information by a  
4 customer.

5           (i) The commission shall establish a procedure for the  
6 establishment of a nonbypassable surcharge or other rate mechanism  
7 for an independent system operator and the transmission and  
8 distribution utility to use to recover net costs incurred in  
9 deploying advanced meter information networks to residential  
10 customers and commercial customers other than large commercial and  
11 industrial customers. The expenses must be allocated to the  
12 customer classes receiving the services.

13           SECTION 2. This Act takes effect September 1, 2005.