

By: Armbrister

S.B. No. 759

A BILL TO BE ENTITLED

AN ACT

relating to energy aggregation by political subdivisions.

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

SECTION 1. Section 304.001(d), Local Government Code, is amended to read as follows:

(d) A political subdivision corporation may negotiate on behalf of its incorporating political subdivisions and the citizens of member political subdivisions who create citizen aggregation programs under Section 304.002 for the purchase of electricity, make contracts for the purchase of electricity, purchase electricity, and take any other action necessary to purchase electricity for use in the public facilities or by citizens of the political subdivision or subdivisions represented by the political subdivision corporation. In this subsection, "electricity" means electric energy, capacity, energy services, ancillary services, or other electric services for retail or wholesale consumption by the political subdivisions.

SECTION 2. Section 304.002, Local Government Code, is amended by amending Subsection (a) and adding Subsections (b-1), (d), and (e) to read as follows:

(a) A political subdivision aggregator may negotiate for the purchase of electricity and energy services, contract for the purchase of electricity, purchase electricity, and take any other action necessary to purchase electricity on behalf of the citizens

1 of the political subdivision or subdivisions[. ~~The citizens must~~  
2 ~~affirmatively request to be included in the aggregation services by~~  
3 ~~the political subdivision aggregator~~].

4 (b-1) The governing body of a political subdivision with a  
5 population of less than 40,000 may adopt an ordinance or resolution  
6 providing for automatic enrollment of citizens of the political  
7 subdivision in aggregation services. If the governing body of the  
8 political subdivision provides for automatic enrollment of the  
9 citizens in aggregation services, the political subdivision shall  
10 send to each citizen by mail a written notice that citizens served  
11 by an affiliated retail electric provider will be automatically  
12 enrolled unless a citizen expressly requests to not be enrolled.

13 (d) An affiliated retail electric provider and the  
14 transmission and distribution utility shall provide to a political  
15 subdivision any information the political subdivision considers  
16 necessary to solicit or administer an aggregation program under  
17 this section, including the name, address, electric service  
18 identifier, and monthly usage of each residential customer who  
19 resides in the political subdivision. The consent of a customer may  
20 not be required as a condition of providing information to a  
21 political subdivision under this subsection. The political  
22 subdivision may provide to a third party or an aggregator  
23 information received under this subsection, but only for the  
24 purpose of bidding on, implementing, and administering the  
25 aggregation program.

26 (e) This section is not intended to abrogate an electric  
27 service contract between a citizen of any municipality and a

1 competitive retail electric provider.

2 SECTION 3. This Act takes effect immediately if it receives  
3 a vote of two-thirds of all the members elected to each house, as  
4 provided by Section 39, Article III, Texas Constitution. If this  
5 Act does not receive the vote necessary for immediate effect, this  
6 Act takes effect September 1, 2005.