

By: Van de Putte

S.B. No. 1464

A BILL TO BE ENTITLED

AN ACT

relating to funds to be used for nuclear decommissioning purposes by electric utilities.

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

SECTION 1. Subchapter A, Chapter 2256, Government Code, is amended by adding Section 2256.0205 to read as follows:

Sec. 2256.0205. AUTHORIZED INVESTMENTS; DECOMMISSIONING TRUST. (a) In this section:

(1) "Decommissioning trust" means a trust created to provide the Nuclear Regulatory Commission assurance that funds will be available for decommissioning purposes as required under 10 C.F.R. Part 50 or other similar regulation.

(2) "Funds" includes any money held in a decommissioning trust regardless of whether the money is considered to be public funds under this subchapter.

(b) In addition to other investments authorized under this subchapter, a municipality that owns a municipal electric utility that is engaged in the distribution and sale of electric energy or natural gas to the public may invest funds held in a decommissioning trust in any investment authorized by Subtitle B, Title 9, Property Code.

SECTION 2. Section 39.205, Utilities Code, is amended to read as follows:

Sec. 39.205. REGULATION OF COSTS FOLLOWING FREEZE PERIOD.

1 At the conclusion of the freeze period, any remaining costs  
2 associated with nuclear decommissioning obligations continue to be  
3 subject to cost of service rate regulation and shall be included as  
4 a nonbypassable charge to retail customers. The commission may  
5 adopt rules necessary to ensure that money for decommissioning is  
6 prudently collected, managed, and spent for its intended purpose  
7 and that money that remains unspent after decommissioning is  
8 completed is returned to retail customers.

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