

By: Martinez

H.B. No. 2343

A BILL TO BE ENTITLED

AN ACT

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

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

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

Sec. 36.351. DISCOUNTED RATES FOR CERTAIN PUBLIC SCHOOL DISTRICTS AND [CERTAIN] INSTITUTIONS OF HIGHER EDUCATION.

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

(a) Notwithstanding any other provision of this title, each electric utility and municipally owned utility shall discount charges for electric service provided to a facility of a public school district that is eligible to receive state assistance under Section 42.302, Education Code, or a facility of a four-year state university, upper-level institution, Texas State Technical College, or college.

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

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

(2) on September 1, 2007, discounted by 20 percent or

1 more base commercial rates for electric service provided to all
2 facilities of a school district that is eligible to receive state
3 assistance under Section 42.302, Education Code.

4 (e) This section does not apply to a rate charged to an
5 institution of higher education by a municipally owned utility that
6 provides a discounted rate to the state for electric services below
7 rates in effect on January 1, 1995, or to a rate charged to a school
8 district that is eligible to receive state assistance under Section
9 42.302, Education Code, by a municipally owned utility that
10 provides a discount to the school district for electric service
11 below rates in effect on September 1, 2007, if the discounted rate
12 provides a greater financial discount to the state or to the school
13 district than is provided to the institution of higher education or
14 school district through the discount provided by this section.

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

19 SECTION 3. This Act takes effect September 1, 2007.