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H.B. No. 2818

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the delay of retail electric competition in the areas of
3 the state covered by the Southeastern Electric Reliability Council
4 and to the recovery of certain transmission costs by electric
5 utilities in those areas.

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

7 SECTION 1. Section 36.209(a), Utilities Code, is amended to
8 read as follows:

9 (a) This section applies only to an electric utility that
10 operates solely outside of ERCOT in areas of this state included in
11 the Southeastern Electric Reliability Council, the Southwest Power
12 Pool, or the Western Electricity Coordinating Council and that owns
13 or operates transmission facilities.

14 SECTION 2. Subchapter J, Chapter 39, Utilities Code, is
15 amended by adding Section 39.4515 to read as follows:

16 Sec. 39.4515. DELAY OF RETAIL COMPETITION. (a)
17 Notwithstanding any other provision of this chapter, the commission
18 may not implement or consider the implementation of retail electric
19 competition in an area in the Southeastern Electric Reliability
20 Council that is not currently engaged in retail electric
21 competition unless a law enacted after the effective date of this
22 section requires that action.

23 (b) Notwithstanding any other provision of this chapter, an
24 area included in the Southeastern Electric Reliability Council must

1 remain in the Southeastern Electric Reliability Council.

2 (c) This section prevails over any other provision of this
3 subchapter to the extent of any conflict.

4 SECTION 3. (a) Not later than the 180th day after the
5 effective date of this Act, an electric utility operating in the
6 Southeastern Electric Reliability Council that is subject to
7 traditional cost of service rate regulation and on the effective
8 date of this Act has a transition to competition plan on file with
9 the Public Utility Commission of Texas shall:

10 (1) withdraw the plan from the commission;

11 (2) cease all activities related to the plan; and

12 (3) file with the commission an application for
13 recovery of any costs incurred as a result of the preparation,
14 filing, and implementation of the plan.

15 (b) An electric utility described by Subsection (a) of this
16 section is entitled to recover the costs described by Subsection
17 (a)(3) of this section.

18 SECTION 4. This Act takes effect immediately if it receives
19 a vote of two-thirds of all the members elected to each house, as
20 provided by Section 39, Article III, Texas Constitution. If this
21 Act does not receive the vote necessary for immediate effect, this
22 Act takes effect September 1, 2007.