By: Ritter, Hamilton, Deshotel, Otto, McReynolds Substitute the following for H.B. No. 2818: By: Hartnett C.S.H.B. No. 2818

A BILL TO BE ENTITLED

1 AN ACT 2 relating to the delay of retail electric competition in the areas of 3 the state covered by the Southeastern Electric Reliability Council. BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 4 SECTION 1. Subchapter J, Chapter 39, Utilities Code, 5 is 6 amended by adding Section 39.4515 to read as follows: 7 Sec. 39.4515. DELAY OF RETAIL COMPETITION. (a) Notwithstanding any other provision of this chapter, the commission 8 9 may not implement or consider the implementation of retail electric competition in an area in the Southeastern Electric Reliability 10 Council that is not currently engaged in retail electric 11 12 competition unless a law enacted after the effective date of this section requires that action. 13

14 (b) This section prevails over any other provision of this 15 <u>subchapter to the extent of any conflict.</u>

SECTION 2. (a) Not later than the 180th day after the effective date of this Act, an electric utility operating in the Southeastern Electric Reliability Council that is subject to traditional cost of service rate regulation and on the effective date of this Act has a transition to competition plan on file with the Public Utility Commission of Texas shall:

(1) withdraw the plan from the commission;
(2) cease all activities related to the plan; and
(3) file with the commission an application for

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C.S.H.B. No. 2818 1 recovery of any costs incurred as a result of the preparation, 2 filing, and implementation of the plan.

3 (b) An electric utility described by Subsection (a) of this 4 section is entitled to recover the costs described by Subsection 5 (a)(3) of this section.

6 SECTION 3. This Act takes effect immediately if it receives 7 a vote of two-thirds of all the members elected to each house, as 8 provided by Section 39, Article III, Texas Constitution. If this 9 Act does not receive the vote necessary for immediate effect, this 10 Act takes effect September 1, 2007.

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