

By: Vo

H.B. No. 3344

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to the authority of the Public Utility Commission of Texas  
3 in relation to the regulation of the electric power market.

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

5 SECTION 1. Subchapter B, Chapter 15, Utilities Code, is  
6 amended by adding Section 15.0205 to read as follows:

7 Sec. 15.0205. DEFINITION OF PERSON. In this subchapter,  
8 "person" includes a municipally owned utility and an electric  
9 cooperative in relation to a violation of Section 39.151(j) or  
10 39.157(a).

11 SECTION 2. Section 39.002, Utilities Code, is amended to  
12 read as follows:

13 Sec. 39.002. APPLICABILITY. This chapter, other than  
14 Sections 39.151(j), 39.155, 39.157(a), 39.157(e), 39.203, 39.903,  
15 and 39.904, does not apply to a municipally owned utility or an  
16 electric cooperative. Sections 39.157(e), 39.203, and 39.904,  
17 however, apply only to a municipally owned utility or an electric  
18 cooperative that is offering customer choice. If there is a  
19 conflict between the specific provisions of this chapter and any  
20 other provisions of this title, except for Chapters 40 and 41, the  
21 provisions of this chapter control.

22 SECTION 3. Section 39.151(j), Utilities Code, is amended to  
23 read as follows:

24 (j) A retail electric provider, municipally owned utility,

1 electric cooperative, power marketer, transmission and  
2 distribution utility, ~~[or]~~ power generation company, entity that  
3 schedules power on behalf of those entities, or other entity that  
4 participates in a market operated by the independent system  
5 operator in ERCOT shall observe all scheduling, operating,  
6 planning, reliability, and settlement policies, rules, guidelines,  
7 and procedures established by the independent system operator in  
8 ERCOT. Failure to comply with this subsection may result in the  
9 revocation, suspension, or amendment of a certificate as provided  
10 by Section 39.356 or in the imposition against that entity of an  
11 administrative penalty ~~[as provided by Section 39.357]~~. The  
12 commission may require a refund or disgorgement of revenue that  
13 accrues as a result of a violation of this subsection.

14 SECTION 4. Section 40.001(a), Utilities Code, is amended to  
15 read as follows:

16 (a) Notwithstanding any other provision of law, except  
17 Subchapter B, Chapter 15, and Sections 39.151(j), 39.155,  
18 39.157(a), 39.157(e), 39.203, 39.903, and 39.904, this chapter  
19 governs the transition to and the establishment of a fully  
20 competitive electric power industry for municipally owned  
21 utilities. With respect to the regulation of municipally owned  
22 utilities, this chapter controls over any other provision of this  
23 title, except for sections in which the term "municipally owned  
24 utility" is specifically used.

25 SECTION 5. Section 41.001, Utilities Code, is amended to  
26 read as follows:

27 Sec. 41.001. APPLICABLE LAW. Notwithstanding any other

1 provision of law, except Subchapter B, Chapter 15, and Sections  
2 39.151(j), 39.155, 39.157(a), 39.157(e), 39.203, 39.903, and  
3 39.904, this chapter governs the transition to and the  
4 establishment of a fully competitive electric power industry for  
5 electric cooperatives. Regarding the regulation of electric  
6 cooperatives, this chapter shall control over any other provision  
7 of this title, except for sections in which the term "electric  
8 cooperative" is specifically used.

9 SECTION 6. This Act takes effect September 1, 2007.