

By: Lucio

S.B. No. 1894

A BILL TO BE ENTITLED

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AN ACT

relating to protecting the stand-alone residential local exchange voice service rate.

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

SECTION 1. Section 65.102, Utilities Code, is amended to read as follows:

Sec. 65.102. REQUIREMENTS. (a) A deregulated company that holds a certificate of operating authority issued under this subchapter is a nondominant carrier governed in the same manner as a holder of a certificate of operating authority issued under Chapter 54, except that the deregulated company:

(1) retains the obligations of a provider of last resort under Chapter 54;

(2) is subject to the following provisions in the same manner as an incumbent local exchange company that is not deregulated:

- (A) Sections 54.156, 54.158, and 54.159;
- (B) Section 55.012; and
- (C) Chapter 60; and

(3) may not increase the company's rates for stand-alone residential local exchange voice service until the commission makes a finding that there are multiple telecommunications providers offering telephone service at or below the current capped rate. ~~[before the date that the commission~~

1 ~~has the opportunity to revise the monthly per line support under the~~  
2 ~~Texas High Cost Universal Service Plan pursuant to Section 56.031,~~  
3 ~~regardless of whether the company is an electing company under~~  
4 ~~Chapter 58.]~~

5 (b) In each deregulated market, a deregulated company shall  
6 make available to all residential customers uniformly throughout  
7 that market the same price, terms, and conditions for all basic and  
8 non-basic services, consistent with any pricing flexibility  
9 available to such company on or before August 31, 2005.

10 SECTION 2. Section 65.153, Utilities Code, is amended to  
11 read as follows:

12 Sec. 65.153. RATE REQUIREMENTS. (a) In a market that  
13 remains regulated, a transitioning company shall price the  
14 company's retail services in accordance with the provisions that  
15 applied to that company immediately before the date the company was  
16 classified as a transitioning company.

17 (b) In a market that is deregulated, a transitioning company  
18 shall price the company's retail services as follows:

19 (1) for all services, other than basic local  
20 telecommunications service, at any price higher than the service's  
21 long run incremental cost; and

22 (2) for basic local telecommunications service, at any  
23 price higher than the lesser of the service's long run incremental  
24 cost or the tariffed price on the date that market was deregulated,  
25 provided that the company may not increase the company's rates for  
26 stand-alone residential local exchange voice service until the  
27 commission makes a finding that there are multiple

1 telecommunications providers offering telephone service at or  
2 below the current capped rate. [~~before the date that the commission~~  
3 ~~has the opportunity to revise the monthly per line support under the~~  
4 ~~Texas High Cost Universal Service Plan pursuant to Section 56.031,~~  
5 ~~regardless of whether the company is an electing company under~~  
6 ~~Chapter 58.~~]

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