

By: Vo

H.B. No. 1519

A BILL TO BE ENTITLED

AN ACT

relating to the disconnection of electric services to certain customers.

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

SECTION 1. Subchapter C, Chapter 39, Utilities Code, is amended by adding Section 39.1015 to read as follows:

Sec. 39.1015. SUSPENSION OF DISCONNECTION FOR CERTAIN CUSTOMERS. (a) In this section:

(1) "Critical care residential customer" means a residential electric customer for whom an interruption or suspension of electric service will create a dangerous or life-threatening condition.

(2) "Elderly low-income customer" means a low-income customer who is 65 years old or older.

(3) "Low-income customer" means an electric customer:
(A) whose household income is not more than 125 percent of the federal poverty guidelines;

(B) who receives food stamps from the Health and Human Services Commission; or

(C) who receives medical assistance from a state agency that administers a part of the medical assistance program.

(4) "Service provider" means a retail electric provider, power generation company, aggregator, or other entity that provides retail electric service.

1 (b) During the period beginning July 1 and ending September
2 30 of each year a service provider:

3 (1) may not disconnect service or authorize the
4 disconnection of service to a critical care residential customer or
5 elderly low-income customer who contacts the service provider
6 regarding bill payment or in response to a disconnection notice;

7 (2) may not disconnect service or authorize the
8 disconnection of service to a low-income customer other than an
9 elderly low-income customer if the customer:

10 (A) contacts the service provider regarding bill
11 payment or in response to a disconnection notice; and

12 (B) enters into a deferred payment plan with the
13 service provider for the current month's electric charges and meets
14 the terms of any then current deferred payment plan;

15 (3) shall request reconnection of service or reconnect
16 service to a critical care residential customer or an elderly
17 low-income customer whose service is disconnected before or during
18 the period if:

19 (A) the customer contacts the service provider
20 regarding bill payment or in response to a disconnection notice; or

21 (B) the service provider has previously been
22 notified that the customer is a critical care residential customer;

23 (4) shall request reconnection of service or reconnect
24 service to a low-income customer whose service is disconnected
25 before or during the period if the customer enters into a deferred
26 payment plan with the service provider; and

27 (5) shall rescind a request for disconnection of

1 service to a critical care residential customer, elderly low-income
2 customer, or low-income customer made before the period begins if
3 the service provider is prohibited under this subsection from
4 disconnecting or authorizing the disconnection of the customer's
5 service during the period.

6 (c) A service provider may not disconnect service or
7 authorize the disconnection of a critical care residential
8 customer's service during the period provided by Subsection (b)
9 regardless of whether the customer contacts the service provider as
10 provided by Subsection (b) if the service provider has previously
11 been notified that the customer is a critical care residential
12 customer.

13 (d) A service provider shall allow a critical care
14 residential customer, elderly low-income customer, or low-income
15 customer to establish with the provider a deferred payment plan in
16 person or by telephone. The service provider shall confirm the
17 payment plan with the customer in writing. The deferred payment
18 plan may not include a penalty for late payments accrued during the
19 period provided by Subsection (b). The service provider shall
20 allow a critical care residential customer, elderly low-income
21 customer, or low-income customer to renegotiate the terms of the
22 deferred payment plan at least one time, regardless of whether the
23 customer's economic or financial circumstances have changed. For a
24 low-income customer other than an elderly low-income customer,
25 during the period provided by Subsection (b), the payment plan may
26 require the payment of not more than 25 percent of the then current
27 month's charges plus any due installments of a previous deferred

1 payment plan. For a low-income customer other than an elderly
2 low-income customer, the service provider is not required to extend
3 a deferred payment plan entered into under this subsection beyond
4 the March billing cycle following the period provided by Subsection
5 (b).

6 (e) A deferred payment plan established under Subsection
7 (d) for one or more electric bills that come due during the period
8 provided by Subsection (b) must provide:

9 (1) for a critical care residential customer or
10 elderly low-income customer, that the customer is not required to
11 pay more than 25 percent of the deferred electric bills as part of
12 the first electric bill issued after the end of the period and that
13 the remaining balance is to be paid in equal installments over the
14 next five billing cycles, unless the customer requests a lesser
15 number of installments; and

16 (2) for a low-income customer other than an elderly
17 low-income customer, that the customer is required to pay not more
18 than 25 percent of the deferred bills to initiate the agreement and
19 that the remaining balance is to be paid in equal installments over
20 the next five billing cycles, unless the customer requests a lesser
21 number of installments.

22 (f) A service provider may pursue disconnection of electric
23 service for a critical care residential customer or an elderly
24 low-income customer only after the period provided by Subsection
25 (b) and only if the customer does not meet the terms of the deferred
26 payment plan, unless the disconnection is otherwise prohibited. A
27 service provider may pursue disconnection of service for a

1 low-income customer other than an elderly low-income customer if
2 the customer does not meet the terms of the deferred payment plan,
3 unless the disconnection is otherwise prohibited. The service
4 provider shall give the customer appropriate notice that the
5 customer has not met the terms of the plan before the service
6 provider disconnects or authorizes the disconnection of service.

7 (g) A service provider may encourage a critical care
8 residential customer or elderly low-income customer to make partial
9 payment of a deferred electric bill during the period provided by
10 Subsection (b), but the service provider shall clearly inform the
11 customer that the customer may not be disconnected for nonpayment
12 before October 1 following the period provided by Subsection (b).

13 SECTION 2. This Act takes effect July 1, 2009, if it
14 receives a vote of two-thirds of all the members elected to each
15 house, as provided by Section 39, Article III, Texas Constitution.
16 If this Act does not receive the vote necessary for effect on that
17 date, this Act takes effect September 30, 2009.