

By: Turner of Harris

H.B. No. 2305

Substitute the following for H.B. No. 2305:

By: Solomons

C.S.H.B. No. 2305

A BILL TO BE ENTITLED

AN ACT

1
2 relating to security deposits for customers of retail electric
3 providers.

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

5 SECTION 1. Section 39.101(a), Utilities Code, is amended to
6 read as follows:

7 (a) The [~~Before customer choice begins on January 1, 2002,~~
8 ~~the~~] commission shall ensure that retail customer protections are
9 established that entitle a customer:

10 (1) to safe, reliable, and reasonably priced
11 electricity, including protection against service disconnections
12 in an extreme weather emergency as provided by Subsection (h) or in
13 cases of medical emergency or nonpayment for unrelated services;

14 (2) to privacy of customer consumption and credit
15 information;

16 (3) to bills presented in a clear format and in
17 language readily understandable by customers;

18 (4) to the option to have all electric services on a
19 single bill, except in those instances where multiple bills are
20 allowed under Chapters 40 and 41;

21 (5) to protection from discrimination on the basis of
22 race, color, sex, nationality, religion, or marital status;

23 (6) to accuracy of metering and billing;

24 (7) to information in English and Spanish and any

1 other language as necessary concerning rates, key terms and
2 conditions, in a standard format that will permit comparisons
3 between price and service offerings, and the environmental impact
4 of certain production facilities;

5 (8) to information in English and Spanish and any
6 other language as necessary concerning low-income assistance
7 programs and deferred payment plans; ~~and~~

8 (9) to other information or protections necessary to
9 ensure high-quality service to customers; and

10 (10) to a refund of a security deposit or other money
11 owed to the customer on the withdrawal of the customer's retail
12 electric provider from competition in this state.

13 SECTION 2. Subchapter C, Chapter 39, Utilities Code, is
14 amended by adding Section 39.110 to read as follows:

15 Sec. 39.110. CUSTOMER DEPOSIT FUND. (a) The customer
16 deposit fund is a trust fund held outside the state treasury by a
17 financial institution eligible to be a state depository under
18 Chapter 404, Government Code, that is selected by the commission.
19 Money in the fund may be used only to repay a security deposit to a
20 customer of a retail electric provider.

21 (b) The commission shall:

22 (1) deposit each customer deposit remitted under
23 Subsection (c) to the credit of the customer deposit fund;

24 (2) remit to a retail electric provider an amount
25 equal to the amount of a customer's security deposit plus interest
26 on the deposit, when the retail electric provider demonstrates that
27 the security deposit has been returned to the customer with

1 interest as provided by Chapter 183, minus any deductions for
2 payments due;

3 (3) remit to a retail electric provider an amount
4 equal to the amount of interest on a deposit remitted to a customer
5 on request as provided by Section 183.004 when the retail electric
6 provider demonstrates that the interest has been paid to the
7 customer; and

8 (4) conduct an annual review of the customer deposit
9 fund, including a review of the interest projected to be earned by
10 the fund.

11 (c) A retail electric provider shall remit to the commission
12 each security deposit the provider receives from a customer. The
13 commission may require a retail electric provider to submit a
14 report regarding remissions of security deposits for deposit to the
15 fund or returns of security deposits to customers. A report
16 submitted under this subsection must contain any information the
17 commission requires to evaluate a retail electric provider's
18 compliance with this section.

19 (d) The commission quarterly shall publish a report of
20 customer deposit fund deposits, disbursements, and earnings.

21 (e) The commission shall adopt rules to implement this
22 section. At a minimum, the rules must establish:

23 (1) the procedures by which a retail electric provider
24 shall remit security deposits to the commission;

25 (2) the information that must be contained in a report
26 required under Subsection (c);

27 (3) a schedule for the return of a customer's security

1 deposit by a retail electric provider and the reimbursement of a
2 retail electric provider from the fund for returned deposits, minus
3 any deductions for payments due; and

4 (4) procedures for the review required by Subsection
5 (b)(4), including a method of administrative review that ensures
6 that a retail electric provider remits each customer's security
7 deposit to the commission and returns each customer's security
8 deposit and interest to the customer when necessary, minus any
9 deductions for payments due.

10 SECTION 3. (a) The Public Utility Commission of Texas shall
11 adopt rules consistent with Section 39.110, Utilities Code, as
12 added by this Act, not later than December 1, 2009.

13 (b) The changes in law made by this Act apply only to a
14 security deposit that is received by a retail electric provider on
15 or after the effective date of this Act. A security deposit that is
16 received before the effective date of this Act is subject to the law
17 in effect on the date of receipt, and that law is continued in
18 effect for that purpose.

19 SECTION 4. This Act takes effect September 1, 2009.