

1-1 By: Hinojosa, Davis S.B. No. 265
1-2 (In the Senate - Filed November 12, 2008; February 11, 2009,
1-3 read first time and referred to Committee on Business and Commerce;
1-4 April 17, 2009, reported adversely, with favorable Committee
1-5 Substitute by the following vote: Yeas 6, Nays 0; April 17, 2009,
1-6 sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 265 By: Fraser

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to benefits and protections for certain residential
1-11 electric customers.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Section 39.101, Utilities Code, is amended by
1-14 adding Subsections (i), (j), (k), (l), (m), (n), and (o) to read as
1-15 follows:

1-16 (i) A retail electric provider, power generation company,
1-17 aggregator, or other entity that provides retail electric service
1-18 shall waive any initial deposit requirement for a residential
1-19 customer who is not delinquent in payment of any electric service
1-20 account with that provider and:

1-21 (1) is at least 65 years of age; or

1-22 (2) has a payment history for electric service in this
1-23 state that includes not more than one late payment in the preceding
1-24 12 months.

1-25 (j) During the period beginning July 1 and ending September
1-26 30 of each year, a retail electric provider, power generation
1-27 company, aggregator, or other entity that provides retail electric
1-28 service may not disconnect service or authorize the disconnection
1-29 of service to a residential customer who requests and complies with
1-30 the terms of a deferred payment plan and who demonstrates to the
1-31 provider that the customer is a low-income electric customer, as
1-32 defined by Section 39.903(l).

1-33 (k) During the period beginning July 1 and ending September
1-34 30 of each year, a retail electric provider, power generation
1-35 company, aggregator, or other entity that provides retail electric
1-36 service may not disconnect service or authorize the disconnection
1-37 of service to a residential customer who:

1-38 (1) is designated in accordance with commission rules
1-39 as a critical care residential customer for whom an interruption or
1-40 suspension of electric service will create a dangerous or
1-41 life-threatening condition; or

1-42 (2) requests a deferred payment plan and demonstrates
1-43 to the provider that the customer qualifies under commission rules
1-44 for designation as a critical care residential customer for whom an
1-45 interruption or suspension of electric service will create a
1-46 dangerous or life-threatening condition.

1-47 (l) A retail electric provider, power generation company,
1-48 aggregator, or other entity that provides retail electric service
1-49 shall provide to each residential customer designated as a critical
1-50 care residential customer and each residential customer on a
1-51 reduced rate program described by Section 39.903(h) an annual
1-52 notice informing the customer of the protections available under
1-53 Subsections (j) and (k). The notice must be provided
1-54 contemporaneously with the first invoice issued to the customer
1-55 after June 30 of each year. The notice may be printed on the
1-56 invoice, included as an insert provided with the invoice, or
1-57 provided separately in a way reasonably calculated to inform the
1-58 customer of the protections available under Subsections (j) and
1-59 (k).

1-60 (m) A retail electric provider, power generation company,
1-61 aggregator, or other entity that provides retail electric service
1-62 shall offer to a residential customer described by Subsection (j)
1-63 who requests a deferred payment plan a payment plan that allows the

2-1 customer to avoid disconnection of service during the period
2-2 described by Subsection (j) if the customer:

2-3 (1) pays at least 33 percent of the outstanding
2-4 balance due;

2-5 (2) agrees to pay remaining balances in equal
2-6 installments over the next five billing cycles, unless the customer
2-7 agrees to a lesser number of installments; and

2-8 (3) does not owe an outstanding balance from an
2-9 earlier deferred payment plan granted to allow the customer to
2-10 avoid disconnection of service during a period described by
2-11 Subsection (j).

2-12 (n) A retail electric provider, power generation company,
2-13 aggregator, or other entity that provides retail electric service,
2-14 on request by a residential customer described by Subsection (j)
2-15 who is at least 65 years of age or a residential customer described
2-16 by Subsection (k)(2), shall offer to the customer a deferred
2-17 payment plan that allows the customer to avoid disconnection of
2-18 service during the period described by Subsection (j) or (k)
2-19 without any payment of the current month's service charges until
2-20 after September 30 if the customer agrees to pay:

2-21 (1) 25 percent of the deferred charges when the first
2-22 bill issued after September 30 is due; and

2-23 (2) the remaining balances in equal installments over
2-24 the next five billing cycles after the bill issued after September
2-25 30, unless the customer agrees to a lesser number of installments.

2-26 (o) Subsections (i)-(n) do not apply to metered electric
2-27 service sold to residential customers on a prepaid basis.

2-28 SECTION 2. The Public Utility Commission of Texas shall
2-29 adopt rules to implement Subsections (i), (j), (k), (l), (m), (n),
2-30 and (o), Section 39.101, Utilities Code, as added by this Act, as
2-31 quickly as practicable so that customers are provided protections
2-32 prescribed by those subsections before September 30, 2009.

2-33 SECTION 3. This Act takes effect September 1, 2009.

2-34 * * * * *