

By: Watson

S.B. No. 1762

A BILL TO BE ENTITLED

AN ACT

relating to a temporary moratorium for disconnection of electric service for 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, and during any other months of the year in which the
3 National Weather Service declares an extreme weather emergency, a
4 service provider:

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

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

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

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

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

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

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

25 (4) shall request reconnection of service or reconnect
26 service to a low-income customer whose service is disconnected
27 before or during the period if the customer enters into a deferred

1 payment plan with the service provider; and

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

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

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

1 require the payment of not more than 25 percent of the then current
2 month's charges plus any due installments of a previous deferred
3 payment plan. For a low-income customer other than an elderly
4 low-income customer, the service provider is not required to extend
5 a deferred payment plan entered into under this subsection beyond
6 the March billing cycle following the period provided by Subsection
7 (b).

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

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

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

24 (f) A service provider may pursue disconnection of
25 electrical service for a critical care residential customer or an
26 elderly low-income customer only after the period provided by
27 Subsection (b) and only if the customer does not meet the terms of

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

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

15 SECTION 2. This Act takes effect September 1, 2009.