

# SENATE AMENDMENTS

2<sup>nd</sup> Printing

By: Solomons, Maldonado, Hartnett, et al.

H.B. No. 1822

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to the use of certain terms by certificated  
3 telecommunications utilities, retail electric providers, and  
4 electric utilities in retail bills.

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

6 SECTION 1. Section 17.003(c), Utilities Code, is amended to  
7 read as follows:

8 (c) The commission shall adopt and enforce rules to require  
9 a certificated telecommunications utility, a retail electric  
10 provider, or an electric utility to give clear, uniform, and  
11 understandable information to customers about rates, terms,  
12 services, customer rights, and other necessary information as  
13 determined by the commission. The rules must include a list of  
14 defined terms common to the telecommunications and electricity  
15 industries and require that applicable terms be labeled uniformly  
16 on each retail bill sent to a customer by a certificated  
17 telecommunications utility, retail electric provider, or electric  
18 utility to facilitate consumer understanding of relevant billing  
19 elements.

20 SECTION 2. Section 17.004(a), Utilities Code, is amended to  
21 read as follows:

22 (a) All buyers of telecommunications and retail electric  
23 services are entitled to:

24 (1) protection from fraudulent, unfair, misleading,

1 deceptive, or anticompetitive practices, including protection from  
2 being billed for services that were not authorized or provided;

3 (2) choice of a telecommunications service provider, a  
4 retail electric provider, or an electric utility, where that choice  
5 is permitted by law, and to have that choice honored;

6 (3) information in English and Spanish and any other  
7 language as the commission deems necessary concerning rates, key  
8 terms and conditions, and the basis for any claim of environmental  
9 benefits of certain production facilities;

10 (4) protection from discrimination on the basis of  
11 race, color, sex, nationality, religion, marital status, income  
12 level, or source of income and from unreasonable discrimination on  
13 the basis of geographic location;

14 (5) impartial and prompt resolution of disputes with a  
15 certificated telecommunications utility, a retail electric  
16 provider, or an electric utility and disputes with a  
17 telecommunications service provider related to unauthorized  
18 charges and switching of service;

19 (6) privacy of customer consumption and credit  
20 information;

21 (7) accuracy of metering and billing;

22 (8) bills presented in a clear, readable format and  
23 easy-to-understand language that uses defined terms as required by  
24 commission rules adopted under Section 17.003;

25 (9) information in English and Spanish and any other  
26 language as the commission deems necessary concerning low-income  
27 assistance programs and deferred payment plans;

1           (10) all consumer protections and disclosures  
2 established by the Fair Credit Reporting Act (15 U.S.C. Section  
3 1681 et seq.) and the Truth in Lending Act (15 U.S.C. Section 1601  
4 et seq.); and

5           (11) after retail competition begins as authorized by  
6 the legislature, programs provided by retail electric providers  
7 that offer eligible low-income customers energy efficiency  
8 programs, an affordable rate package, and bill payment assistance  
9 programs designed to reduce uncollectible accounts.

10           SECTION 3. Section 17.102, Utilities Code, is amended to  
11 read as follows:

12           Sec. 17.102. RULES RELATING TO CHOICE. The commission  
13 shall adopt and enforce rules that:

14           (1) ensure that customers are protected from deceptive  
15 practices employed in obtaining authorizations of service and in  
16 the verification of change orders, including negative option  
17 marketing, sweepstakes, and contests that cause customers to  
18 unknowingly change their telecommunications service provider,  
19 retail electric provider, or electric utility, where choice is  
20 permitted by law;

21           (2) provide for clear, easily understandable  
22 identification, in each bill sent to a customer, of all  
23 telecommunications service providers, retail electric providers,  
24 or electric utilities submitting charges on the bill;

25           (3) ensure that every service provider submitting  
26 charges on the bill is clearly and easily identified on the bill  
27 along with its services, products, and charges, using defined terms

1 as required by commission rules adopted under Section 17.003;

2 (4) provide that unauthorized changes in service be  
3 remedied at no cost to the customer within a period established by  
4 the commission;

5 (5) require refunds or credits to the customer in the  
6 event of an unauthorized change; and

7 (6) provide for penalties for violations of commission  
8 rules adopted under this section, including fines and revocation of  
9 certificates or registrations, by this action denying the  
10 certificated telecommunications utility, the retail electric  
11 provider, or the electric utility the right to provide service in  
12 this state, except that the commission may not revoke a certificate  
13 of convenience and necessity of an electric utility except as  
14 provided by Section 37.059 or a certificate of convenience and  
15 necessity of a telecommunications utility except as provided by  
16 Section 54.008.

17 SECTION 4. Section 17.151(a), Utilities Code, is amended to  
18 read as follows:

19 (a) A service provider, retail electric provider, or  
20 billing agent may submit charges for a new product or service to be  
21 billed on a customer's telephone or retail electric bill on or after  
22 the effective date of this section only if:

23 (1) the service provider offering the product or  
24 service has thoroughly informed the customer of the product or  
25 service being offered, including all associated charges, and has  
26 explicitly informed the customer that the associated charges for  
27 the product or service will appear on the customer's telephone or

1 electric bill;

2 (2) the customer has clearly and explicitly consented  
3 to obtain the product or service offered and to have the associated  
4 charges appear on the customer's telephone or electric bill and the  
5 consent has been verified as provided by Subsection (b); [~~and~~]

6 (3) the service provider offering the product or  
7 service and any billing agent for the service provider:

8 (A) has provided the customer with a toll-free  
9 telephone number the customer may call and an address to which the  
10 customer may write to resolve any billing dispute and to answer  
11 questions; and

12 (B) has contracted with the billing utility to  
13 bill for products and services on the billing utility's bill as  
14 provided by Subsection (c); and

15 (4) the service provider, retail electric provider, or  
16 billing agent uses defined terms on the bill as required by  
17 commission rules adopted under Section 17.003.

18 SECTION 5. The Public Utility Commission of Texas shall  
19 adopt rules consistent with this Act not later than December 1,  
20 2009.

21 SECTION 6. This Act takes effect September 1, 2009.

**ADOPTED**

MAY 26 2009

*Atty. Gen.*  
Secretary of the Senate

By: Solomons/Fraser

H.B. No. 1922

Substitute the following for \_\_\_B. No. \_\_\_\_:

By: [Signature]

C.S. H.B. No. 1922

A BILL TO BE ENTITLED

1

AN ACT

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relating to the use of certain terms by certificated  
3 telecommunications utilities, retail electric providers, and  
4 electric utilities in retail bills.

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

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SECTION 1. Section 17.003(c), Utilities Code, is amended to  
7 read as follows:

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(c) The commission shall adopt and enforce rules to require  
9 a certificated telecommunications utility, a retail electric  
10 provider, or an electric utility to give clear, uniform, and  
11 understandable information to customers about rates, terms,  
12 services, customer rights, and other necessary information as  
13 determined by the commission. The rules must include a list of  
14 defined terms common to the telecommunications and electricity  
15 industries and require that applicable terms be labeled uniformly  
16 in each contract and on each retail bill sent to a residential or  
17 small commercial customer by a certificated telecommunications  
18 utility, retail electric provider, or electric utility to  
19 facilitate consumer understanding of relevant billing elements.

20

SECTION 2. Section 17.004(a), Utilities Code, is amended to  
21 read as follows:

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(a) All buyers of telecommunications and retail electric  
23 services are entitled to:

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(1) protection from fraudulent, unfair, misleading,

\* \* \* \* \*

- 1 deceptive, or anticompetitive practices, including protection from  
2 being billed for services that were not authorized or provided;
- 3 (2) choice of a telecommunications service provider, a  
4 retail electric provider, or an electric utility, where that choice  
5 is permitted by law, and to have that choice honored;
- 6 (3) information in English and Spanish and any other  
7 language as the commission deems necessary concerning rates, key  
8 terms and conditions, and the basis for any claim of environmental  
9 benefits of certain production facilities;
- 10 (4) protection from discrimination on the basis of  
11 race, color, sex, nationality, religion, marital status, income  
12 level, or source of income and from unreasonable discrimination on  
13 the basis of geographic location;
- 14 (5) impartial and prompt resolution of disputes with a  
15 certificated telecommunications utility, a retail electric  
16 provider, or an electric utility and disputes with a  
17 telecommunications service provider related to unauthorized  
18 charges and switching of service;
- 19 (6) privacy of customer consumption and credit  
20 information;
- 21 (7) accuracy of metering and billing;
- 22 (8) bills presented in a clear, readable format and  
23 easy-to-understand language that uses defined terms as required by  
24 commission rules adopted under Section 17.003;
- 25 (9) information in English and Spanish and any other  
26 language as the commission deems necessary concerning low-income  
27 assistance programs and deferred payment plans;

1 (10) all consumer protections and disclosures  
2 established by the Fair Credit Reporting Act (15 U.S.C. Section  
3 1681 et seq.) and the Truth in Lending Act (15 U.S.C. Section 1601  
4 et seq.); and

5 (11) after retail competition begins as authorized by  
6 the legislature, programs provided by retail electric providers  
7 that offer eligible low-income customers energy efficiency  
8 programs, an affordable rate package, and bill payment assistance  
9 programs designed to reduce uncollectible accounts.

10 SECTION 3. Section 17.102, Utilities Code, is amended to  
11 read as follows:

12 Sec. 17.102. RULES RELATING TO CHOICE. The commission  
13 shall adopt and enforce rules that:

14 (1) ensure that customers are protected from deceptive  
15 practices employed in obtaining authorizations of service and in  
16 the verification of change orders, including negative option  
17 marketing, sweepstakes, and contests that cause customers to  
18 unknowingly change their telecommunications service provider,  
19 retail electric provider, or electric utility, where choice is  
20 permitted by law;

21 (2) provide for clear, easily understandable  
22 identification, in each bill sent to a customer, of all  
23 telecommunications service providers, retail electric providers,  
24 or electric utilities submitting charges on the bill;

25 (3) ensure that every service provider submitting  
26 charges on the bill is clearly and easily identified on the bill  
27 along with its services, products, and charges, using defined terms



1 as required by commission rules adopted under Section 17.003;

2 (4) provide that unauthorized changes in service be  
3 remedied at no cost to the customer within a period established by  
4 the commission;

5 (5) require refunds or credits to the customer in the  
6 event of an unauthorized change; and

7 (6) provide for penalties for violations of commission  
8 rules adopted under this section, including fines and revocation of  
9 certificates or registrations, by this action denying the  
10 certificated telecommunications utility, the retail electric  
11 provider, or the electric utility the right to provide service in  
12 this state, except that the commission may not revoke a certificate  
13 of convenience and necessity of an electric utility except as  
14 provided by Section 37.059 or a certificate of convenience and  
15 necessity of a telecommunications utility except as provided by  
16 Section 54.008.

17 SECTION 4. Section 17.151(a), Utilities Code, is amended to  
18 read as follows:

19 (a) A service provider, retail electric provider, or  
20 billing agent may submit charges for a new product or service to be  
21 billed on a customer's telephone or retail electric bill on or after  
22 the effective date of this section only if:

23 (1) the service provider offering the product or  
24 service has thoroughly informed the customer of the product or  
25 service being offered, including all associated charges, and has  
26 explicitly informed the customer that the associated charges for  
27 the product or service will appear on the customer's telephone or

1 electric bill;

2 (2) the customer has clearly and explicitly consented  
3 to obtain the product or service offered and to have the associated  
4 charges appear on the customer's telephone or electric bill and the  
5 consent has been verified as provided by Subsection (b); [~~and~~]

6 (3) the service provider offering the product or  
7 service and any billing agent for the service provider:

8 (A) has provided the customer with a toll-free  
9 telephone number the customer may call and an address to which the  
10 customer may write to resolve any billing dispute and to answer  
11 questions; and

12 (B) has contracted with the billing utility to  
13 bill for products and services on the billing utility's bill as  
14 provided by Subsection (c); and

15 (4) the service provider, retail electric provider, or  
16 billing agent uses defined terms on the bill and in contracts for  
17 residential and small commercial customers as required by  
18 commission rules adopted under Section 17.003.

19 SECTION 5. The Public Utility Commission of Texas shall  
20 adopt rules consistent with this Act not later than December 1,  
21 2009.

22 SECTION 6. This Act takes effect September 1, 2009.

# ADOPTED

FLOOR AMENDMENT NO. 1

MAY 26 2009

BY: 

  
Secretary of the Senate

1 Amend C.S.H.B. 1822 (senate committee printing) as follows:

2 (1) On page 1, line 24, strike "in each contract and".

3 (2) On page 1, lines 24-25, strike "residential or small  
4 commercial".

5 (3) On page 2, lines 66-67, strike "and in contracts for  
6 residential and small commercial customers".

# ADOPTED

FLOOR AMENDMENT NO. 2

MAY 26 2009

BY: Wendy N Davis

*Atty Gen*  
Secretary of the Senate

1 Amend H.B. No. 1822 (senate committee report) by adding the  
2 following appropriately numbered SECTION to the bill and  
3 renumbering subsequent SECTIONS accordingly:

4 SECTION \_\_\_\_ Subchapter C, Chapter 39, Utilities Code, is  
5 amended by adding section 39.112 to read as follows:

6 Sec. 39.112. NOTICE OF EXPIRATION AND PRICE CHANGE. (a)

7 In this section, "fixed rate product" means a retail electric  
8 product with a term of at least three months for which the price  
9 for each billing period, including recurring charges, does not  
10 change throughout the term of the contract, except that the  
11 price may vary to reflect actual changes in transmission and  
12 distribution utility charges, changes to ERCOT or Texas Regional  
13 Entity administrative fees charged to loads, or changes to  
14 federal, state, or local laws that result in new or modified  
15 fees or costs that are not within the retail electric provider's  
16 control.

17 (b) A retail electric provider shall provide a residential  
18 customer who has a fixed rate product with at least one written  
19 notice of the date the fixed rate product will expire. The  
20 notice must:

21 (1) be sent to the customer's billing address by mail  
22 at least 30, but not more than 60, days preceding the date the  
23 contract will expire;

24 (2) be sent to the customer's email address, if  
25 available to the provider and if the customer has agreed to  
26 receive notices electronically, at least 30, but not more than  
27 60, days preceding the date the contract will expire;

28 (3) include on the outside of the envelope in which  
29 the notice is sent, a statement that reads: "Contract Expiration

1 Notice. See Enclosed.";

2 (4) if included with a customer's bill, be printed on  
3 a separate page; and

4 (5) include a description of any fees or charges  
5 associated with the early termination of the customer's fixed  
6 rate product.

7 (c) A retail electric provider shall include on each  
8 billing statement the end date of the fixed rate product.

9 (d) No provision in this section shall be construed to  
10 prohibit the commission from adopting rules that would provide a  
11 greater degree of customer protection.



**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**May 28, 2009**

**TO:** Honorable Joe Straus, Speaker of the House, House of Representatives

**FROM:** John S. O'Brien, Director, Legislative Budget Board

**IN RE: HB1822** by Solomons (Relating to the use of certain terms by certificated telecommunications utilities, retail electric providers, and electric utilities in retail bills.), **As Passed 2nd House**

**No significant fiscal implication to the State is anticipated.**

The bill would require the Public Utility Commission (PUC) to adopt new rules including a list of defined terms common to the telecommunications and electricity industries.

The bill would establish requirements for retail electric providers to notify customers with a fixed rate product with at least one written notice of the date the fixed rate product will expire. The bill would establish the requirements of the written notifications, including timing of the delivery of the notification, printing requirements, and the inclusion of information regarding early termination fees or charges. The bill would require the PUC to adopt rules to implement these provisions.

The PUC anticipates any additional work resulting from the enactment of the bill could be reasonably absorbed within current resources.

**Local Government Impact**

The fiscal impact to local entities would depend on the number of modifications required on a customer's bill.

**Source Agencies:** 473 Public Utility Commission of Texas

**LBB Staff:** JOB, ES, JRO, KJG, MW, TP





**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**May 23, 2009**

**TO:** Honorable Troy Fraser, Chair, Senate Committee on Business & Commerce

**FROM:** John S. O'Brien, Director, Legislative Budget Board

**IN RE: HB1822** by Solomons (Relating to the use of certain terms by certificated telecommunications utilities, retail electric providers, and electric utilities in retail bills. ),  
**Committee Report 2nd House, Substituted**

**No significant fiscal implication to the State is anticipated.**

The bill would require the Public Utility Commission (PUC) to adopt new rules including a list of defined terms common to the telecommunications and electricity industries. The PUC anticipates any additional work resulting from the enactment of the bill could be reasonably absorbed within current resources.

**Local Government Impact**

The fiscal impact to local entities would depend on the number of modifications required on a customer's bill.

**Source Agencies:** 473 Public Utility Commission of Texas

**LBB Staff:** JOB, ES, JRO, KJG, MW, TP



**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**April 28, 2009**

**TO:** Honorable Troy Fraser, Chair, Senate Committee on Business & Commerce

**FROM:** John S. O'Brien, Director, Legislative Budget Board

**IN RE: HB1822** by Solomons (Relating to the use of certain terms by certificated telecommunications utilities, retail electric providers, and electric utilities in retail bills.), **As Engrossed**

**No significant fiscal implication to the State is anticipated.**

This bill would require the Public Utility Commission (PUC) to adopt new rules including a list of defined terms common to the telecommunications and electricity industries. The PUC anticipates any additional work resulting from the enactment of the bill could be reasonably absorbed within current resources.

**Local Government Impact**

The fiscal impact to local entities would depend on the number of modifications required on a customer's bill.

**Source Agencies:** 473 Public Utility Commission of Texas

**LBB Staff:** JOB, JRO, KJG, MW, ES, TP



**LEGISLATIVE BUDGET BOARD**  
Austin, Texas

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**March 9, 2009**

**TO:** Honorable Burt R. Solomons, Chair, House Committee on State Affairs

**FROM:** John S. O'Brien, Director, Legislative Budget Board

**IN RE:** **HB1822** by Solomons (Relating to the use of certain terms by certificated telecommunications utilities, retail electric providers, and electric utilities in retail bills.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

This bill would require the Public Utility Commission (PUC) to adopt new rules including a list of defined terms common to the telecommunications and electricity industries. The PUC anticipates any additional work resulting from the enactment of the bill could be reasonably absorbed within current resources.

**Local Government Impact**

The fiscal impact to local entities would depend on the number of modifications required on a customer's bill.

**Source Agencies:** 473 Public Utility Commission of Texas

**LBB Staff:** JOB, KJG, MW, ES, TP

