

House Bill 1822
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

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

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

Same as House version.

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

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

- (1) protection from fraudulent, unfair, misleading, deceptive, or anticompetitive practices, including protection from being billed for services that were not authorized or provided;
- (2) choice of a telecommunications service provider, a retail electric provider, or an electric utility, where that choice is permitted by law, and to have that choice honored;

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- (3) information in English and Spanish and any other language as the commission deems necessary concerning rates, key terms and conditions, and the basis for any claim of environmental benefits of certain production facilities;
- (4) protection from discrimination on the basis of race, color, sex, nationality, religion, marital status, income level, or source of income and from unreasonable discrimination on the basis of geographic location;
- (5) impartial and prompt resolution of disputes with a certificated telecommunications utility, a retail electric provider, or an electric utility and disputes with a telecommunications service provider related to unauthorized charges and switching of service;
- (6) privacy of customer consumption and credit information;
- (7) accuracy of metering and billing;
- (8) bills presented in a clear, readable format and easy-to-understand language that uses defined terms as required by commission rules adopted under Section 17.003;
- (9) information in English and Spanish and any other language as the commission deems necessary concerning low-income assistance programs and deferred payment plans;
- (10) all consumer protections and disclosures established by the Fair Credit Reporting Act (15 U.S.C. Section 1681 et seq.) and the Truth in Lending Act (15 U.S.C. Section 1601 et seq.); and

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

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

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

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

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

(3) ensure that every service provider submitting charges on the bill is clearly and easily identified on the bill along with its services, products, and charges, using defined terms as required by commission rules adopted

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under Section 17.003;

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

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

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

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

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

(1) the service provider offering the product or service has thoroughly informed the customer of the product or service being offered, including all associated charges, and has explicitly informed the customer that the

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associated charges for the product or service will appear on the customer's telephone or electric bill;

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

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

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

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

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

No equivalent provision.

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SECTION ___. Subchapter C, Chapter 39, Utilities Code, is amended by adding section 39.112 to read as follows:

Sec. 39.112. NOTICE OF EXPIRATION AND PRICE CHANGE. (a) In this section, "fixed rate product: means a retail electric product with a term of at least three months for which the price for each billing period, including recurring charges, does not change throughout the term of the contract, except that the price may vary to

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reflect actual changes in transmission and distribution utility charges, changes to ERCOT or Texas Regional Entity administrative fees charged to loads, or changes to federal, state, or local laws that result in new or modified fees or costs that are not within the retail electric provider's control

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

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

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

(3) include on the outside of the envelope in which the notice is sent, a statement that reads: "Contract Expiration Notice. See Enclose.";

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

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

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

(d) No provision in this section shall be construed to prohibit the commission from adopting rules that would

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provide a greater degree of customer protection.

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

Same as House version.

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

Same as House version.