

## **BILL ANALYSIS**

S.B. 1151  
By: Jackson  
State Affairs  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Currently, natural gas utility companies are required to publish notification of a rate increase in a local newspaper, by postal service, or by inserting the notice in a monthly bill, depending on the population of the customer's municipality. In recent years, the decline in newspaper circulation has led to a decrease in the effectiveness of newspaper notices, and the corresponding increase in electronic communication has resulted in a greater number of customers handling their accounts electronically. The goal of S.B. 1151 is to update notification requirements by allowing a natural gas utility to inform customers of rate increases by electronic notification, as well as by publishing a newspaper notice or other means. This change will improve the speed and efficiency, while reducing the expense, of providing rate increase notices to customers.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

S.B. 1151 amends a provision of the Utilities Code relating to methods by which a gas utility may provide notice of a utility rate increase to the public in an area outside the affected municipality or in a municipality with a population of less than 2,500 to remove the geographic and population restrictions and to add sending the notice by e-mail to each directly affected customer, if that address is available, to the methods of notice that provide an alternative to publishing the notice in a newspaper.

### **EFFECTIVE DATE**

September 1, 2011.