

1-1 By: Pitts, et al. (Senate Sponsor - Eltife) H.B. No. 1064
1-2 (In the Senate - Received from the House April 20, 2011;
1-3 April 26, 2011, read first time and referred to Committee on
1-4 Business and Commerce; May 3, 2011, reported favorably by the
1-5 following vote: Yeas 8, Nays 0; May 3, 2011, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to exempting certain customers from certain demand charges
1-9 by transmission and distribution utilities.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Subchapter A, Chapter 36, Utilities Code, is
1-12 amended by adding Section 36.009 to read as follows:

1-13 Sec. 36.009. BILLING DEMAND FOR CERTAIN UTILITY CUSTOMERS.
1-14 Notwithstanding any other provision of this code, the commission by
1-15 rule shall require a transmission and distribution utility to:

1-16 (1) waive the application of demand ratchet provisions
1-17 for each nonresidential secondary service customer that has a
1-18 maximum load factor equal to or below a factor set by commission
1-19 rule;

1-20 (2) implement procedures to verify annually whether
1-21 each nonresidential secondary service customer has a maximum load
1-22 factor that qualifies the customer for the waiver described by
1-23 Subdivision (1);

1-24 (3) specify in the utility's tariff whether the
1-25 utility's nonresidential secondary service customers that qualify
1-26 for the waiver described by Subdivision (1) are to be billed for
1-27 distribution service charges on the basis of:

1-28 (A) kilowatts;

1-29 (B) kilowatt-hours; or

1-30 (C) kilovolt-amperes; and

1-31 (4) modify the utility's tariff in the utility's next
1-32 base rate case to implement the waiver described by Subdivision (1)
1-33 and make the specification required by Subdivision (3).

1-34 SECTION 2. The Public Utility Commission of Texas shall
1-35 adopt rules as necessary to implement Section 36.009, Utilities
1-36 Code, as added by this Act, before June 1, 2012.

1-37 SECTION 3. This Act takes effect immediately if it receives
1-38 a vote of two-thirds of all the members elected to each house, as
1-39 provided by Section 39, Article III, Texas Constitution. If this
1-40 Act does not receive the vote necessary for immediate effect, this
1-41 Act takes effect September 1, 2011.

1-42 * * * * *