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| BILL ANALYSIS |

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| S.B. 1145 |
| By: Nichols |
| State Affairs |
| Committee Report (Unamended) |

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| **BACKGROUND AND PURPOSE**  Interested parties note confusion about whether certain state laws and rules adopted by the Public Utility Commission of Texas relating to the recovery of reasonable and necessary costs incurred in deploying advanced metering and meter information networks apply to a certain  investor-owned electric utility. S.B. 1145 seeks to provide the necessary clarity on this issue by expressly authorizing an investor-owned electric utility that meets certain criteria to recover such costs, subject to certain rules and requirements. |
| **CRIMINAL JUSTICE IMPACT**  It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision. |
| **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. 1145 amends the Utilities Code to authorize an investor-owned electric utility that is operating solely outside of the Electric Reliability Council of Texas in areas of Texas that were included in the Southeastern Electric Reliability Council on January 1, 2005, and that elects to deploy advanced metering and meter information networks to recover reasonable and necessary costs incurred in deploying advanced metering and meter information networks. The bill subjects an electric utility that elects to deploy advanced metering or meter information networks to certain Public Utility Commission of Texas (PUC) rules relating to metering and billing services. The bill requires the PUC to ensure that any deployment plan approved under the bill's provisions and any related customer surcharge are not applicable to customer accounts that receive service at transmission voltage and are consistent with PUC rules related to advanced metering systems regarding customer protections; data security, privacy, and ownership; and options given consumers to continue to receive service through a non-advanced meter. The bill requires an eligible electric utility that elects to deploy an advanced meter information network under the bill's provisions to deploy the network as rapidly as practicable to allow customers to better manage energy use and control costs. |
| **EFFECTIVE DATE**  On passage, or, if the bill does not receive the necessary vote, September 1, 2017. |