

BILL ANALYSIS

Senate Research Center
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H.B. 986
By: Price et al. (Perry)
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

It has been noted that advanced metering and meter information networks have been deployed in approximately seven million homes in the ERCOT power region in Texas, providing customers with cost savings and operational benefits including enhanced energy management tools and faster outage response times. It has been further noted that, although ERCOT utilities are explicitly permitted to recover costs associated with the deployment of these meters and networks, there is ambiguity as to whether non-ERCOT utilities such as Xcel Energy's Southwestern Public Service Company would similarly be able to recover the costs associated with deploying advanced meters and meter information networks. H.B. 986 seeks to explicitly authorize certain non-ERCOT electric utilities to recover those costs.

H.B. 986 amends current law relating to the deployment of advanced metering and meter information networks by certain non-ERCOT utilities.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 39.402, Utilities Code, by adding Subsections (e) and (f), as follows:

(e) Authorizes an electric utility subject to this subchapter (Provisions For Certain Non-ERCOT Utilities) that elects to deploy advanced metering and meter information networks to, notwithstanding Subsection (a) (relating to requiring the rates of the utility to be regulated under traditional cost of service regulation until the utility is authorized to implement customer choice), recover reasonable and necessary costs incurred in deploying advanced metering and meter information networks. Provides that an electric utility that elects to deploy advanced metering or meter information networks is subject to Public Utility Commission of Texas (PUC) rules adopted under Sections 39.107(h) (relating to requiring the PUC establish a nonbypassable surcharge for an electric utility or transmission and distribution utility to use to recover reasonable and necessary costs incurred in deploying advanced metering and meter information networks to residential customers and nonresidential customers other than those required by the independent system operator to have an interval data recorder meter) and (k) (relating to requiring the PUC by rule to prohibit an electric utility or transmission and distribution utility from selling, sharing, or discussing information generated, provided, or otherwise collected from an advanced measuring system or meter information network, including certain information). Requires the PUC to ensure that any deployment plan approved under this section (Regulation of Utility and Transition to Competition) and any related customer surcharge:

(1) are not applicable to customer accounts that receive service at transmission voltage; and

(2) are consistent with PUC rules related to advanced metering systems regarding:

(A) customer protections;

(B) data security, privacy, and ownership; and

(C) options given consumers to continue to receive service through a non-advanced meter.

(f) Requires an electric utility subject to this subchapter that elects to deploy an advanced meter information network to deploy the network as rapidly as practicable to allow customers to better manage energy use and control costs.

SECTION 2. Effective date: upon passage or September 1, 2019.