By:  Gutierrez S.B. No. 1690

A BILL TO BE ENTITLED

AN ACT

relating to rates charged for wholesale or retail electric service; authorizing a civil penalty.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1.  This Act may be cited as the Texas Ratepayer's Bill of Rights.

SECTION 2.  Title 2, Subtitle B, Utilities Code, is amended by adding new Subchapter J to read as follows:

SUBCHAPTER J. RATEPAYER BILL OF RIGHTS

Sec. 36.501.  LEGISLATIVE FINDINGS. The legislature finds that the state has failed to protect Texas families in its regulation and management of the electric grid. This failure has caused mass suffering, death, and exploitative energy pricing during a catastrophic emergency. The legislature further finds that the extreme weather events of February 2021 were foreseeable and will occur with greater frequency in the future. It is the intent of the legislature to prevent the collapse of the electric grid caused by extreme weather events and the exploitation of energy consumers during a statewide emergency and in the normal course of business as ratepayers.

Sec. 502.  RATEPAYER RIGHTS IN ELECTRIC UTILITY SERVICE. Notwithstanding any other provision in law, and individual customer for retail or wholesale electric service:

1) shall have the right to avoid discontinuation of service for nonpayment on any Saturday or Sunday or any holiday observed by the utility, unless the utility is open to accept payment and restore service on those days;

2) shall have the right to avoid discontinuation of service for a period of sixty (60) days for nonpayment when the utility receives written notice from a medical doctor licensed to practice in the State of Texas, or any adjoining state, certifying that discontinuance of service would create a life threatening situation for the customer or other permanent resident of the customer's household;

3) shall have the right to be given a written notice from the utility company of pending discontinuation of service at least five (5) days prior to disconnection of service. This notice shall include a date on or after which discontinuance may occur;

4) shall have the right to negotiate with any electric or natural gas company a delayed payment plan to avoid discontinuation of service for a delinquent account in accordance with the utility's terms and conditions;

5) shall have the right to avoid discontinuation of service or refusal of service because a former occupant, not of the same household, failed to pay prior bill;

6) shall have the right to avoid disconnection of their electric or gas service during extreme temperatures exceeding 100 degrees Fahrenheit or below 32 degrees Fahrenheit;

7) shall have the right to avoid discontinuation of service of electric or natural gas service for nonpayment, if the ratepayer has been approved for Low Income Home Energy Assistance Program (LIHEAP) benefits in an amount equal to the delinquent balance, payable within thirty (30) days, and the notice of the approval has been given to the utility provider;

8) shall have the right to avoid discontinuation of service for failure to pay a portion of any bill that is in dispute, provided that a deposit is made by the ratepayer for amounts in dispute;

9) shall have the right to negotiate monthly installments for initial service deposits in excess of One Hundred Dollars ($100.00) provided that the entire amount of the deposit is paid within 60 days;

10) shall have the right to avoid discontinuation of electric or natural gas service for nonpayment of bills if, as of 8:00 a.m. on the scheduled disconnection day, a freeze warning has been issued by the National Weather Service for the county of the scheduled disconnection;

11) shall have the right to avoid discontinuation of electric service for nonpayment of bills if, as of 8:00 a.m. on the scheduled disconnection day, an Excessive Heat Warning has been issued by the National Weather Service for the county of the scheduled disconnection;

12) shall have the right to request a written explanation if the utility company refuses to initially serve a consumer. When the ratepayer has provided the utility company with a valid mailing address, the explanation shall be mailed to the ratepayer within seven (7) business days and shall include the reason service is being refused and what actions the consumer must take in order to receive service;

13) shall be given accurate and understandable information concerning the price and terms of service; and

14) shall have access through the Commission to an independent administrative process that provides a simple, quick, and effective means of resolving complaints about service and bills from all electric and gas service providers over which the Commission has appropriate jurisdiction. Ratepayers are encouraged to attempt to resolve the dispute directly with the utility company.

SECTION 3.  36.003, Utilities Code, is amended to read as follows:

Sec. 36.003.  JUST AND REASONABLE RATES. (a) The regulatory authority shall ensure that each rate an electric utility or two or more electric utilities jointly make, demand, or receive is just and reasonable.

(b)  A rate may not be unreasonably preferential, prejudicial, or discriminatory but must be sufficient, equitable, and consistent in application to each class of consumer.

(c)  An electric utility may not:

(1)  grant an unreasonable preference or advantage concerning rates to a person in a classification;

(2)  subject a person in a classification to an unreasonable prejudice or disadvantage concerning rates; or

(3)  establish or maintain an unreasonable difference concerning rates between localities or between classes of service.

(d)  In establishing an electric utility's rates, the commission may treat as a single class two or more municipalities that an electric utility serves if the commission considers that treatment to be appropriate.

(e)  A charge to an individual customer for retail or wholesale electric service that is less than the rate approved by the regulatory authority does not constitute an impermissible difference, preference, or advantage.

(f)  Notwithstanding any other provision in law, an individual customer for retail or wholesale electric service may not be charged a rate in excess of $500 per megawatt hour for electric service provided during an emergency declared by the governor or the federal government in the geographic area affected by the disaster.

(g)  A provider of retail or wholesale electric service that charges a rate in violation of this section during a declared emergency by the governor or federal government is assessed civil penalty equal to the difference between the charged rate during an emergency and the rate charged before the declared emergency.

SECTION 4.  ECTION 13.  Not later than July 1, 2022, the Public Utilities Commission of Texas shall adopt rules as required to implement, administer, and enforce subchapter J, Title 2, Utilities Code, as added by this Act.

SECTION 5.  EFFECTIVE DATE. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2021.