

By: Hernandez

H.B. No. 16

A BILL TO BE ENTITLED

AN ACT

relating to a prohibition on the sale of wholesale indexed products by retail electric providers.

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

SECTION 1. Subchapter C, Chapter 39, Utilities Code, is amended by adding Section 39.113 to read as follows:

Sec. 39.113. WHOLESALE INDEXED PRODUCTS PROHIBITED. (a)

In this section, "wholesale indexed product" means a retail electric product for which the price a customer pays for electricity includes a direct pass-through of real-time settlement point prices as determined by the independent organization established by Section 39.151.

(b) A retail electric provider may not offer a wholesale indexed product to a residential customer.

(c) The commission shall adopt and enforce rules relating to this section.

SECTION 2. The Public Utility Commission shall adopt rules required by Section 39.113, Utilities Code, as added by this Act, on or before December 1, 2021.

SECTION 3. 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.