

By: Gutierrez

S.B. No. 1690

A BILL TO BE ENTITLED

1 AN ACT
2 relating to rates charged for wholesale or retail electric service;
3 authorizing a civil penalty.

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

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

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

9 SUBCHAPTER J. RATEPAYER BILL OF RIGHTS

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

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

24 1) shall have the right to avoid discontinuation of service

1 for nonpayment on any Saturday or Sunday or any holiday observed by
2 the utility, unless the utility is open to accept payment and
3 restore service on those days;

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

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

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

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

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

25 7) shall have the right to avoid discontinuation of service
26 of electric or natural gas service for nonpayment, if the ratepayer
27 has been approved for Low Income Home Energy Assistance Program

1 (LIHEAP) benefits in an amount equal to the delinquent balance,
2 payable within thirty (30) days, and the notice of the approval has
3 been given to the utility provider;

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

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

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

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

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

1 receive service;

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

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

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

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

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

20 (c) An electric utility may not:

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

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

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

27 (d) In establishing an electric utility's rates, the

1 commission may treat as a single class two or more municipalities
2 that an electric utility serves if the commission considers that
3 treatment to be appropriate.

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

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

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

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

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