

BILL ANALYSIS

S.B. 1664
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State Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

At the Senate Business and Commerce Committee's June 12, 2024, interim hearing, invited witnesses testified to Texas' pressing need for more transmission capacity to accommodate rapid growth and record demand for electricity. Witnesses also discussed rising transmission costs, which account for 30 to 40 percent of the average customer's electricity bill and are projected to further increase due to major infrastructure investments, according to reporting by the *Houston Chronicle*. The bill sponsor has informed the committee that consumers are paying more and yet have little control over the decisions driving their rates, which are becoming increasingly complex, leaving consumers uncertain about their bills.

S.B. 1664 aims to address these issues by requiring transmission and distribution utilities to submit a publicly accessible, stand-alone document with each statement of intent to change rates that will provide more detailed information on the application of the change to each rate class, the duration of the change, the resulting revenue increase to the utility, and the delivery charges imposed. The bill would also require the Public Utility Commission of Texas to post rate information on its website and update the information at least monthly.

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. 1664 amends the Utilities Code to require a transmission and distribution utility (TDU) to provide with each statement of intent to change rates, and any other filing regarding a change in the utility's rates made with a regulatory authority under provisions of the Public Utility Regulatory Act relating to electric utilities, a stand-alone document that shows the following:

- the change in rate that the filing would apply to each rate class;
- the time period during which the proposed change will be in effect;
- for a base rate increase, the anticipated total amount of revenue the utility will receive from the increase during the four-year period following the proposed implementation date of the change;
- for a change other than a base rate change, the anticipated total amount of revenue the utility will receive from the change during the period in which the change is in effect;
- the delivery charges being imposed by the utility at the time of the filing for an average residential customer;

- the anticipated delivery charges that would be imposed by the utility for an average residential customer after the change; and
- the difference between those current delivery charges and anticipated delivery charges.

The bill requires the Public Utility Commission of Texas (PUC) to require such a document to be filed in a format easily understood by the public. If the regulatory authority proposes to enter an order approving a change in rates that differs from the change initially proposed by the TDU, the regulatory authority must require the TDU to provide to the regulatory authority a new stand-alone document that includes the required information for the proposed change.

S.B. 1664 requires the PUC to provide, and update at least monthly, on the PUC's website or the PUC's Power to Choose website information on the rates of TDUs in a format easily understood by the public.

S.B. 1664 applies only to a proceeding before the PUC or another applicable regulatory authority that commences on or after the bill's effective date. A proceeding before the PUC or other regulatory authority that commenced before the bill's effective date is governed by the law in effect on the date the proceeding commenced, and that law is continued in effect for that purpose.

EFFECTIVE DATE

September 1, 2025.