

BILL ANALYSIS

Senate Research Center
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S.B. 1664
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Business & Commerce
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

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 a record demand for electricity in our state. Witnesses also discussed rising transmission costs, which currently account for 30 to 40 percent of a customer's electricity bill, and projected further cost increases due to by major infrastructure investments. Consumers are paying more and yet have little control over the decisions driving their rates. Moreover, how costs are allocated has become increasingly complex, leaving consumers uncertain about their bills.

S.B. 1664 highlights a need for more accessible and transparent information regarding the rates of a transmission and distribution utility (TDU). Specifically, S.B. 1664 would require TDUs to submit a publicly accessible, stand-alone document with each statement of intent to change rates that provides more detailed information on: the application of the change to each rate class, the duration of change, the resulting revenue increase to the utility, and the delivery charges imposed. S.B. 1664 would require the Public Utility Commission of Texas to update rate information at least monthly and make the information available on its website.

As proposed, S.B. 1664 amends current law relating to public information regarding the rates of a transmission and distribution utility.

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 Subchapter C, Chapter 39, Utilities Code, by adding Section 39.113, as follows:

Sec. 39.113. RATE TRANSPARENCY. (a) Requires a transmission and distribution utility to provide with each statement of intent to change rates filed under Chapter 36 (Rates), and any other filing made with a regulatory authority under Subtitle B (Electric Utilities) regarding a change in the utility's rates, a stand-alone document that shows certain information.

(b) Requires the Public Utility Commission of Texas (PUC) to require the document required by Subsection (a) to be filed in a format easily understood by the public.

(c) Requires the regulatory authority, if the regulatory authority proposes to enter an order approving a change in rates described by Subsection (a) that differs from the change initially proposed by the transmission and distribution utility, to require the utility to provide to the regulatory authority a new stand-alone document that includes the information required by Subsection (a) for the proposed change.

(d) Requires the PUC to provide, and update at least monthly, on the PUC's Internet website or the PUC's Power to Choose Internet website information on the rates of transmission and distribution utilities in a format easily understood by the public.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2025.