

BILL ANALYSIS

S.B. 1202
By: Hancock
State Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Electric vehicle adoption is accelerating across the country, including in Texas. Electric vehicles in today's market run on rechargeable batteries installed in the vehicle. While the vast majority of electric vehicle charging takes place at the owner's home, there is a growing market for public-use charging stations that may be located off major transit corridors or in places such as large retail shopping centers or garages near office buildings.

Given the essential nature of electric service, the Utilities Code and rules adopted by the Public Utility Commission of Texas prescribe extensive customer protections for service from retail electric providers and electric utilities in the areas outside competition. These protections are premised on the notion of the customer selecting a single retail electric provider to supply electricity to a fixed premises. Many of these retail consumer safeguards are to ensure continuous and reliable electric service on a non-discriminatory and transparent basis to an end-use customer. These protections reflect the public's interest in the provision of electric service to homes and businesses.

However, electric vehicle owners are not reliant on one charging station owner and the station owner's obligation to provide continuous and adequate service to vehicle owners ceases the moment charging stops. Electric vehicle charging may indeed consist of a retail transaction, but the differences between retail electric service to a premises and service to an electric vehicle warrant different regulatory treatment. Accordingly, S.B. 1202 seeks to exclude a person who owns or operates equipment used solely to provide electricity charging service for consumption by an alternatively fueled vehicle from consideration as an "electric utility," "retail electric provider," and "retail electric utility" solely on that basis.

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 rulemaking authority is expressly granted to the Public Utility Commission of Texas in SECTIONS 2 and 4 of this bill.

ANALYSIS

S.B. 1202 amends the Utilities Code to exclude from consideration as an "electric utility" or a "retail electric provider" for purposes of provisions of the Public Utility Regulatory Act governing electric utilities a person who is not otherwise an electric utility and who owns or operates equipment used solely to provide electricity charging service for consumption by an alternatively fueled vehicle. The bill establishes that a person who owns or operates equipment used solely to provide such charging service is not for that reason considered a retail electric

utility for purposes of provisions requiring a certificate of convenience and necessity. The bill authorizes the Public Utility Commission of Texas by rule to exclude from consideration as an "electric utility," "retail electric provider," or "retail electric utility" a provider who owns or operates equipment used solely to provide electricity charging service for a mode of transportation.

EFFECTIVE DATE

September 1, 2021.