

BILL ANALYSIS

Senate Research Center

H.B. 3037
By: Cook (Armbrister)
State Affairs
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Engrossed

DIGEST

Currently, members of electric cooperative corporations have the opportunity to exempt the cooperative from rate regulation by the Public Utility Commission. However, in order for a cooperative to be exempt from rate regulation or to change its rate, the cooperative is required to file a cost of service study. This bill removes the requirement that an electric cooperative corporation complete a cost of service study when proposing a rate change, if the rate change is uncontested and the Public Utility Commission determines the study is unnecessary.

PURPOSE

As proposed, H.B. 3037 removes the requirement that an electric cooperative corporation complete a cost of service study when proposing a rate change, if the rate increase is uncontested and the Public Utility Commission determines the study is unnecessary.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 2.2011, Article 1446c-0, V.T.C.S., to prohibit an electric cooperative corporation from being required to prepare or make available a cost-of-service study if the rate is uncontested and the Public Utility Commission determines a cost-of-service study is not necessary, which determination shall be made without a hearing.

SECTION 2. Effective date: September 1, 1997.

SECTION 3. Emergency clause.