

BILL ANALYSIS

Senate Research Center

S.B. 980
By: Patterson
State Affairs
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As Filed

DIGEST

Currently, state law contains provisions dealing with fair rate regulations, but does not establish standards for reliability or customer service. In the Public Utility Commission's Report to the 75th Texas Legislature, it was found that utility reliability varies between and within utility companies around the state. This bill sets forth standards for the regulation of public utilities by the Public Utility Commission of Texas.

PURPOSE

As proposed, S.B. 980 sets forth standards for the regulation of public utilities by the Public Utility Commission of Texas.

RULEMAKING AUTHORITY

Rulemaking authority is granted to the Public Utility Commission of Texas in SECTION 2 (Article 1446c-O, V.T.C.S.) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. (a) Provides that the purpose of this Act is to ensure that facilities and personnel needed to maintain the electric supply are available.

(b) Provides that the legislature is concerned with the merger of public utilities.

SECTION 2. Amends Article 1446c-O, V.T.C.S., by adding Section 2.004, as follows:

Sec. 2.004. **ELECTRIC RELIABILITY AND SERVICE.** Requires the Public Utility Commission of Texas (commission) to adopt rules for inspection, maintenance, repair, and replacement standards for transmission and distribution systems of public utilities. Requires standards to be set for each substantial type of distribution and transmission in order to ensure a certain level of service. Provides that included in its standards adopted by the commission will be a requirement that the public utility strategically locate sufficient personnel throughout its service territory to carry out the mandates established by the commission. Requires personnel to have adequate experience and training. Requires the commission to inspect the records and facilities of each public utility every three years. Requires the commission to have the authority to impose an administrative penalty against the utility for a certain amount, notwithstanding Section 1.3215, for any outage which affects more than 1,000 customers and lasts longer than 48 hours. Requires the commission to require a public utility to notify each customer subject to the outage of the proceeding initiated to establish the appropriateness of an administrative penalty, if any. Prohibits a utility from recovering administrative penalties in its rates. Requires the commission to have the authority to adopt rules necessary for carrying out this subsection. Requires each public utility to maintain one or more customer call centers where certain provisions regarding customer service apply. Provides that nothing in this subsection shall be construed to lessen the authority by any other provision of this Act with regard to the quality or provision of electric service.

SECTION 3. Requires the commission to adopt the rules required by Section 2.004, Article 1446c-O, V.T.C.S., not later than July 31, 1997.

SECTION 4. Emergency clause.
Effective date: upon passage.