

BILL ANALYSIS

Senate Research Center

H.B. 2806
By: Kitchen (Truan)
Natural Resources
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Engrossed

DIGEST AND PURPOSE

The price of natural gas has skyrocketed in recent months. Gas utility customers in Texas received winter heating bills that were as much as four times higher than for the same period in the previous year. Many people, particularly those on fixed incomes, could not pay their gas bills in full. Consumer organizations petitioned the Railroad Commission of Texas to adopt an emergency rule to prevent disconnections for nonpayment during cold weather. When gas prices are high, customers may restrict their consumption of natural gas for residential heating to levels that could be detrimental to their well being, especially during times of adverse weather conditions. Currently, the Gas Utility Regulatory Act does not cover these emergency conditions, and customers are liable to have their gas supply disconnected if the bill is not paid. H.B. 2806 prohibits a gas provider from disconnecting gas supply to a residential customer in specified adverse weather conditions or on a weekend day unless personnel of the provider are available on that day to take payment or reconnect service, and sets forth provisions for payment plans.

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 Chapter 104F, Utilities Code, by adding Section 104.258, as follows:

Sec. 104.258. DISCONNECTION OF GAS SERVICE. (a) Defines “extreme weather emergency” and “provider.”

(b) Prohibits a provider from disconnecting natural gas service to a residential customer on a weekend day unless personnel of the provider are available on that day to take payments and reconnect service.

(c) Prohibits a provider from disconnecting natural gas service to a residential customer during an extreme weather emergency. Requires the provider to defer collection of the full payment of bills that are due during an extreme weather emergency until after the emergency is over and to work with customers to establish a pay schedule for deferred bills.

SECTION 2. Effective date: upon passage or September 1, 2001.