

BILL ANALYSIS

Senate Research Center

S.B. 1494
By: Fraser
Business & Commerce
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As Filed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Currently, electric utilities in the state are required to unbundle generation assets as part of the transition to competition. The separation could require the sale of certain generation assets which could negatively impact reliability in the Electric Reliability Council of Texas (ERCOT).

As proposed, S.B. 1494 establishes parameters for meeting current separation requirements to ensure that electricity from generation assets necessary for reliability in ERCOT can remain in ERCOT.

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 Section 39.051(c), Utilities Code, to include the requirements that an electric utility must meet in order to have met the requirements of Subsection (b) (relating to the separation of business activities into units).

SECTION 2. Effective date: September 1, 2005.