

## **BILL ANALYSIS**

Senate Research Center  
84R9497 DDT-F

S.B. 777  
By: Fraser  
Natural Resources & Economic Development  
3/13/2015  
As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Under the Public Utility Regulatory Act (PURA), Section 39.352, Utilities Code, authorizes the Public Utility Commission of Texas (PUC) to establish criteria for applicants seeking entry into the competitive retail electricity market. Remedies currently available to PUC include administrative penalties and or revocation, suspension, or amendment of a retail electric provider (REP) certificate. The commission certifies only those REP applicants that have the requisite financial, technical, and managerial resources required under PURA.

However, when the PUC recently adopted the “2015 Scope of Competition in Electric Markets in Texas” report, they recommended that a clarification be made in existing law enumerating the powers the PUC shall have to prohibit a repeat offender from reentering the market.

As proposed, S.B. 777 amends current law relating to the authority of the Public Utility Commission of Texas to restrict participation in the retail electric market for significant violations.

### **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 39.356, Utilities Code, by adding Subsection (a-1), as follows:

(a-1) Authorizes the Public Utility Commission of Texas (PUC) to, after notice and opportunity for hearing, prohibit a principal or officer of the retail electric provider from participating in the retail electric market in Texas through ownership of or employment by a retail electric provider if PUC suspends, revokes, or amends a retail electric provider's certificate under Subsection (a).

SECTION 2. Effective date: upon passage or September 1, 2015.