

SUBJECT: Prohibiting disconnection of gas service in certain circumstances

COMMITTEE: Energy Resources — committee substitute recommended

VOTE: 6 ayes — R. Lewis, Merritt, Carter, Driver, Hawley, Kitchen
1 nay — Christian
2 absent — Crabb, Williams

WITNESSES: For — Carol Biedrzycki, Texas Ratepayers Organization to Save Energy; Janee Briesemeister, Consumers Union; Neish A. Carroll, Texas Legal Services Center; Stella Rodriguez, Texas Association of Community Action Agencies; Glenn Summers, EOAC
Against — None

DIGEST: CSHB 2806 would prohibit a gas provider — defined as a gas utility or an owner, operator, or manager of a mobile home park or apartment who buys gas through a master meter for delivery to tenants — from disconnecting natural gas service to a residential customer on a weekend unless personnel of the provider were available to take payments and reconnect service. The gas provider also could not disconnect service during an extreme weather emergency, defined as occurring when the previous day's high temperature was below freezing and the temperature was predicted to remain below freezing for the next 24 hours, according to the National Weather Service.

The gas provider would have to defer collection of the full payment of bills that were due during an extreme weather emergency until after the emergency was over and would have to work with customers to establish a payment schedule for deferred bills.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2001.

**SUPPORTERS
SAY:**

CSHB 2806 would prevent a utility from disconnecting natural gas service to residential customers during extreme weather. The price of natural gas, the most common source of fuel for heating homes in Texas, has risen rapidly in the past year and is projected to remain high for the foreseeable future. Elderly people, who are often on fixed incomes, are especially susceptible to harm or death in their homes during freezing weather.

Many other states prohibit disconnection of gas or electricity service during extremely hot or cold weather. The Texas Railroad Commission already has prohibited by rule disconnection of gas service during freezing weather, but the rule does not apply to municipalities. This bill would ensure that city dwellers could heat their homes during freezing weather.

CSHB 2806 would not jeopardize gas supplies for paying customers, because temperatures in Texas rarely fall below freezing for extended periods of time. Disconnection would be prohibited only during emergency freezing weather events and on weekends, if the gas provider did not make personnel available on weekends to accept delinquent payments and reconnect service.

**OPPONENTS
SAY:**

CSHB 2806 could jeopardize gas supplies for paying customers. During cold weather, demand for natural gas increases. Prohibiting providers from disconnecting service to delinquent accounts or to empty homes with active accounts could jeopardize gas supplies for customers who had paid their bills regularly and on time. A better alternative would be to provide residential customers with a list of organizations that provide energy assistance.

NOTES:

Among other changes, the committee substitute lowered the proposed temperature threshold for an extreme weather emergency from 40 to 32 degrees.

