

- SUBJECT:** Limiting the length of a billing month for a propane gas customer
- COMMITTEE:** Energy Resources — committee substitute recommended
- VOTE:** 11 ayes — Darby, Paddie, Anchia, Dale, Herrero, Keffer, P. King, Landgraf, Meyer, Riddle, Wu
- 1 nay — Craddick
- 1 absent — Canales
- WITNESSES:** For — Barton Prideaux; Amanda Stanley; Emily Vandermeer;
(*Registered, but did not testify:* Albert Sanchez)
- Against — None
- BACKGROUND:** Utilities Code, sec. 141.003 requires a propane distributor to charge a just and reasonable rate for propane gas. A just and reasonable rate is defined as the spot price plus the allowable markup, which is based on the volatility in the price over the past two years.
- DIGEST:** CSHB 2558 would provide limitations on the period of time between billing periods. Specifically, the bill would provide that that propane distributors could not include in a customer's bill charges from a period of more than:
- 32 days for a billing month in which the majority of days occur in December, January, or February; or
 - 31 days for a billing month in which the majority of days in the billing month occur in any other month.
- If an extreme condition occurred or continued on or after the 29th day of a billing month during the winter, the billing month could be extended while the extreme condition occurred.
- Extreme conditions would be defined to include:

- impassable roads in the customer's county;
- a natural disaster;
- civil disruption, including war, riot, or labor disruption or stoppage.

The bill would take effect September 1, 2015, and would apply only to a billing month that began on or after the effective date.