

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 590
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Business & Commerce
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Committee Report (Substituted)

DIGEST AND PURPOSE

Currently, the submetering of apartments, condos, and mobile home parks is covered under Chapter 184 of the Utilities Code (Electric and Water Metering) and under the Public Utility Commission's (PUC) submetering rules, however the law does not apply to marinas. As proposed, C.S.S.B. 590 requires the PUC to adopt rules governing billing systems used by marinas to allocate or prorate nonsubmetered utility service costs to tenants.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Public Utility Commission of Texas in SECTION 1(Sections 184.123 and 184.124, Utilities Code).

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 184.071, Utilities Code, to provide that a landlord or owner of a marina who violates a Public Utility Commission of Texas (commission) rule relating to submetering of electric utilities consumed exclusively in a tenant's dwelling unit or marina facility or a rule relating to the allocation of central system utility costs or nonsubmetered master metered electric utility costs is liable to the tenant for certain fee's. Makes conforming changes.

SECTION 2. Amends Chapter 184, Utilities Code, by adding Subchapter F, as follows:

SUBCHAPTER F. METERING FOR TENANTS OF MARINAS

Sec. 184.121. DEFINITIONS. Defines "marina," and "nonsubmetered master metered utility service."

Sec. 184.122. ELECTRIC SUBMETERING. Authorizes the owner of a marina that leases a majority of its leased dock space to owners of boats less than 70 feet long to submeter each facility the marina leases to a tenant to measure the quantity of electricity consumed by the tenant. Provides the electric submetering equipment is subject to the same rules adopted by the commission for accuracy, testing, and record keeping of meters installed by electric utilities; and the meter testing requirements of Subchapter C, Chapter 38. Requires the owner, on installation of the meters or submeters, if during the 90 days before the date the owner of a marina installs individual electric meters or submeters at the marina the owner increases rental rates and the increase in rental rates is attributable to the increased cost of electric utilities, to immediately reduce the rental rate by the amount of the increase attributable to the increased cost of electric utilities; and refund the amount of the increased rent collected in the 90-day period preceding the installation of the meters or submeters; and attributable to the cost of increased utilities.

Sec. 184.123. RULES RELATING TO SUBMETERED SERVICE. Requires the commission to adopt rules under which an owner of a marina for which electricity is not individually metered is authorized to install submetering equipment to allocate fairly the cost of the electrical

consumption of each leased facility of the marina. Requires a rule adopted under this section, in addition to other appropriate safeguards for a tenant leasing a facility of a marina, to provide that the owner of a marina that has installed submetering equipment is prohibited from charging a tenant more than the cost per kilowatt hour charged by the retail electric provider to the owner; and is required to maintain adequate records relating to submetering and make those records available for inspection by a tenant during reasonable business hours.

Sec. 184.124. RULES REGULATING TO NONSUBMETERED MASTER METERED SERVICE. Requires the commission to adopt rules governing billing systems or methods used by a marina to prorate or allocate among the marina's tenants' nonsubmetered master metered utility service costs. Requires a rule adopted under this section, in addition to other appropriate safeguards for a tenant leasing a facility of a marina, to require that the lease agreement contain certain information. Prohibits the owner of a marina from imposing a charge on a tenant in excess of the actual charge imposed on the owner for electric utility consumption by the marina's tenants; maintain adequate records, including electric utility bills and records concerning the nonsubmetered master metered utility service consumption by the marina's tenants, the charges assessed by the retail electric provider, and the allocation of the nonsubmetered master metered utility service costs among the tenants; and make the records available for inspection by the tenants during normal business hours.

Sec. 184.125. EFFECT OF RULES. Provides that a rule adopted under this subchapter has the same effect as a rule adopted under Title 2, and a utility company and the owner of a marina subject to this subchapter are subject to enforcement under Sections 15.021, 15.022, and 15.028 -15.033.

SECTION 3. Requires the Public Utility Commission of Texas to adopt rules under Subchapter F, Chapter 184, Utilities Code, as added by this Act, as soon as is practicable. Requires the rules to take effect not later than January 1, 2002.

SECTION 4. Effective date: upon passage or September 1, 2001.

SUMMARY OF COMMITTEE CHANGES

SECTION 1. No change.

SECTION 2. Amends As Filed S.B. 590, Section 184.123, Utilities Code, as follows:

- Replaces "utility" with "retail electric provider," in regard to the entity charging the cost per kilowatt to the owner of a marina.
- Makes conforming changes.

SECTION 3. No change.