

BILL ANALYSIS

Senate Research Center
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S.B. 1219
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The purpose of the Power to Choose website is to promote customer choice in the competitive markets by enabling customers to shop for competitive rates. The Public Utility Commission (PUC) has statutory obligations to inform the public regarding the deregulation of the retail electric market. The Power to Choose website, managed by PUC for this purpose, is not user-friendly and does not reflect the complex nature of the competitive market of retail choices for electricity. S.B. 1219 seeks to redesign the Power to Choose website so that it is more accessible, easier to use, and contains more useful information beyond price offers.

With the exception of a reference in Section 39.116 (Notice Regarding Customer Choice Information), Utilities Code, regarding notification of customer choice – by which a retail electric provider (REP) must include a link to the Power to Choose website on the customer's bill – the Power to Choose website is not currently codified in statute. Furthermore, the Power to Choose website can be difficult to use when comparing offers in the competitive market.

S.B. 1219 creates a new Section 39.110, Utilities Code, which directs PUC to redesign the Power to Choose website with more of a user-friendly approach. This approach should include processes for the website to allow for results done by address searches for price offers, energy efficiency, distributed renewable generation and low-income assistance programs, and a list of required fees, rates, and terms of service for each REP. In addition, S.B. 1219 directs PUC to establish a project for the website redesign and create a working committee to include consumer representatives. The bill also requires PUC to conduct a feasibility study regarding standardized electric service products and terms for the purpose of consumer comparisons. Furthermore, the bill extends a REP's obligation to list a link to the Power to Choose website on customers' electric bills from 2011 to 2015.

As proposed, S.B. 1219 amends current law relating to the website operated by the Public Utility Commission of Texas to provide information regarding the power to choose and a study on standardized electric service products and contracts.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Public Utility Commission in SECTION 2 (Section 39.110, Utilities Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Provides that the legislature finds that:

- (1) a competitive electric services market requires timely, accurate, and adequate information about the products and services offered to consumers in the market;
- (2) the Public Utility Commission of Texas (PUC) operates a website regarding the power to choose retail electric providers on which offers by those providers are published;
- (3) the website is not easily usable and does not provide the transparency necessary for consumers to make informed choices in purchasing electric service products;

- (4) the website does not use a user-centered design approach;
- (5) the website is not accessible to people with disabilities; and
- (6) a more structured approach to the design of that website is required to truly affect a consumer's power to choose.

SECTION 2. Amends Subchapter C, Chapter 39, Utilities Code, by adding Section 39.110, as follows:

Sec. 39.110. POWER TO CHOOSE WEBSITE. (a) Requires PUC to publish and operate a power to choose website redesigned using a user-centered design approach. Requires that the user-centered design enable a residential, governmental, commercial, or industrial user to search by physical address all offers available in the user's service area.

(b) Requires that the website, at a minimum, include:

(1) a web page on which all fees, deposits, required balances, and rates for each product offered by a retail electric provider are posted and visible without the need to click on a link and be redirected to another web page for the information;

(2) a web page on which terms of service for each product offered by a retail electric provider are posted;

(3) features that make the website fully accessible to people with disabilities;

(4) a research trail feature that will allow the user to track the user's research;

(5) a clear identification with each price offer posted on the website of whether the underlying product is a prepay product or a variable, index, or fixed rate product;

(6) a searchable and sortable database of each retail electric provider offer on the website that allows the information to be read into a commercially available electronic database;

(7) features to accommodate language, cultural, and educational differences among users; and

(8) comprehensive information, prominently displayed, appropriately linked, and searchable by the user's physical address, about each of the following programs available in the user's service area through a state agency, utility, or retail electric provider:

(A) energy efficiency programs, including weatherization and rebate programs;

(B) distributed renewable generation policies and programs, including rebate programs, net metering, and policies affecting consumers' rights; and

(C) low-income utility assistance programs, including bill payment assistance, weatherization, and rebate programs.

(c) Requires PUC to establish a project to implement this section. Authorizes PUC to create a working committee to provide input on the implementation of

this section that is composed of members of PUC staff, consumer advocates, and representatives of various categories of potential users of the redesigned power to choose website, including people with disabilities and low-income customers. Requires the Department of Information Resources to participate in the project and to provide technical assistance to PUC and, if a working committee is created, to the working committee.

(d) Requires PUC by rule to establish protocols relating to the frequency with which information posted on the website is updated.

(e) Requires PUC to consult and cooperate with other state agencies in the design, both for content and usability, of the website, including agencies providing low-income consumer assistance and energy efficiency assistance and the interagency coordinating group established under Section 535.053 (Interagency Coordinating Group), Government Code.

SECTION 3. Amends Section 39.116, Utilities Code, as follows:

Sec. 39.116. NOTICE REGARDING CUSTOMER CHOICE INFORMATION. Requires a retail electric provider to include on each residential customer's bill a certain statement, in at least 12-point type on the front of the first page. Sets forth the required content of the statement. Provides that this section expires September 1, 2015, rather than September 1, 2011.

SECTION 4. Requires PUC to publish and begin operation of a redesigned power to choose website using a user-centered design approach as provided by Section 39.110, Utilities Code, as added by this Act, not later than September 1, 2012.

SECTION 5. Requires PUC, with input from the working committee, if a committee is created under Section 39.110(c), Utilities Code, as added by this Act, to conduct a study on the feasibility of establishing standardized electric service products and standardized terms to be included in electric service contracts to facilitate consumer comparisons of those products and terms. Require PUC, not later than September 1 2012, to report its findings to the legislature and publish those findings on the power to choose website.

SECTION 6. Effective date: September 1, 2011.