

## **BILL ANALYSIS**

Senate Research Center  
86R13254 BRG-D

S.B. 2195  
By: Lucio  
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As Filed

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

As proposed, S.B. 2195 amends current law relating to metering and billing requirements for certain apartment houses, manufactured homes, and recreational vehicles.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Public Utility Commission of Texas (PUC) in SECTION 9 (Section 184.0403, Utilities Code) of this bill.

Rulemaking authority previously granted to the PUC is modified in SECTION 7 (Section 184.014, Utilities Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 39.554(e), Utilities Code, to specify that an apartment house is defined by Section 184.001, rather than Section 184.011, for purposes of this subsection.

SECTION 2. Amends Section 184.001, Utilities Code, as follows:

Sec. 184.001. New heading: DEFINITIONS. Defines "commission" as the Public Utility Commission of Texas (PUC). Defines "apartment house," "apartment house owner," "dwelling unit," "electricity supplier," "electric utility," "manufactured home" or "manufactured housing," "manufactured housing community," "recreational vehicle," "recreational vehicle park," "retail electric provider," "separately metered," and "utility company" for purposes of this chapter.

SECTION 3. Amends Subchapter A, Chapter 184, Utilities Code, by adding Section 184.002, as follows:

Sec. 184.002. ELECTRICITY SUPPLIER; APPLICABILITY OF TITLE 2. Prohibits a person, notwithstanding Title 2 (Public Utility Regulatory Act), that is not regulated by PUC under that title as an electric utility or a retail electric provider for another activity from being considered to be an electric utility or a retail electric provider solely because the person provides electric service in accordance with this chapter (Electric and Water Metering) and PUC rules adopted under this chapter.

SECTION 4. Amends the heading to Subchapter B, Chapter 184, Utilities Code, to read as follows:

#### **SUBCHAPTER B. METERING IN APARTMENTS, CONDOMINIUMS, AND MANUFACTURED HOUSING COMMUNITIES**

SECTION 5. Amends Section 184.012(a), Utilities Code, to prohibit a political subdivision from authorizing the construction or occupancy of a new apartment house, including the conversion of property to a condominium, unless the construction plan provides for the measurement of the quantity of electricity consumed by the occupants of each dwelling unit of the apartment house, either by separate, rather than individual, metering by the utility company or by submetering by the owner.

SECTION 6. Amends Sections 184.013(a) and (c), Utilities Code, as follows:

(a) Authorizes the owner of an apartment house or manufactured housing community to submeter each dwelling unit in the apartment house or manufactured housing community that is not separately metered to measure the quantity of electricity consumed by the occupants of the dwelling unit, rather than authorizes the owner of an apartment house or mobile home park to submeter each dwelling unit in the apartment house or mobile home park to measure the quantity of electricity consumed by the occupants of the dwelling unit.

(c) Requires the owner, operator, or manager, on installation of the meters or submeters, if, not more than 90 days before the date an owner, operator, or manager of an apartment house or manufactured housing community installs individual meters or submeters in the apartment house or manufactured housing community, the owner, operator, or manager increases rental rates and the increase in rental rates is attributable to the increased cost of utilities, to:

(1)–(2) makes no changes to these subdivisions.

SECTION 7. Amends Sections 184.014(a) and (b), Utilities Code, as follows:

(a) Requires the PUC to adopt rules under which an owner, operator, or manager of an apartment house or manufactured housing community for which electricity is not separately metered for which electricity is not individually metered is authorized to install submetering equipment to allocate fairly the cost of the electrical consumption of each dwelling unit in the apartment house or manufactured housing community, rather than requires the PUC to adopt rules under which an owner, operator, or manager of an apartment house or mobile home park for which electricity is not individually metered, is authorized to install submetering equipment to allocate fairly the cost of the electrical consumption of each dwelling unit in the apartment house or mobile home park.

(b) Requires a rule adopted under Subsection (a), in addition to other appropriate safeguards for a tenant of an apartment house or manufactured housing community, rather than apartment house or mobile home park, to provide that:

(1) the apartment house owner or a manufactured housing community owner, rather than house owner or mobile home park owner, is prohibited from charging a tenant more than the cost per kilowatt hour charged by the utility to the owner; and

(2) makes no changes to this subdivision.

SECTION 8. Amends Sections 184.033, 184.034, 184.035, and 184.036, Utilities Code, as follows:

Sec.184.033. **METERED SALE UNDER THIS CHAPTER.** Replaces references to the supplying utility with references to electricity supplier throughout this section.

Sec. 184.034. **COMPUTATION OF CHARGES.** (a) Replaces references to the supplying utility with a reference to electricity supplier throughout this subsection.

(b) Authorizes the recreational vehicle park owner, if since or during the preceding fiscal year the rates the owner pays its electricity supplier have increased, to recompute the preceding fiscal year's charges using the current rates, rather than authorizes the owner, if since or during the preceding fiscal year the supplying utility decreases its rates, to recompute the preceding fiscal year's charges by the utility using the current rates charged by the utility.

(c) Requires the recreational vehicle park owner, if since or during the preceding fiscal year the rates the owner pays its electricity supplier have decreased, to recompute the preceding fiscal year's charges using the current rates, rather than requires the owner, if since or during the preceding fiscal year the supplying utility decreases its rates, to recompute the preceding fiscal year's charges by the utility using the current rates charged by the utility.

(d) Prohibits an owner from:

(1) including a charge by the electricity supplier, rather than the supplying utility, for electricity used in a common area or office of the recreational vehicle park in computing the amounts under Subsection (b) or (c); or

(2) makes no changes to this subdivision.

Sec. 184.035. REFUND OF SURCHARGES. Replaces a reference to the supplying utility with a reference to electricity supplier throughout this subsection.

Sec. 184.036. UTILITY CUTOFF AT RECREATIONAL VEHICLE PARK. Authorizes a person who operates a recreational vehicle park, rather than a recreational vehicle park as defined by Section 13.087 (Municipal Rates For Certain Recreational Vehicle Parks), notwithstanding any other law, to withhold electric, water, or wastewater utility services from a person occupying a recreational vehicle at the park if the occupant is delinquent in paying for utility services provided by the operator until the occupant pays the delinquent amount.

SECTION 9. Amends Chapter 184, Utilities Code, by adding Subchapter C-1, to read as follows

#### SUBCHAPTER C-1. MIXED USE FACILITIES

Sec. 184.0401. Provides that this chapter applies to dwelling units and recreation vehicles that:

(1) are not separately metered; and

(2) are located on a property that includes at least two of the following types of housing: apartment houses, manufactured homes, and recreational vehicles.

Sec. 184.0402. (a) Provides that a submetered dwelling unit is subject to the metering and billing requirements applicable to a dwelling unit under Subchapter B.

(b) Provides that a submetered recreational vehicle is subject to the metering and billing requirements applicable to a recreational vehicle under Subchapter C (Metering in Recreational Vehicle Parks).

(c) Provides that a dwelling unit or recreational vehicle that is not submetered is subject to the billing requirements of Subchapter D (Central System Utilities).

Sec. 184.0403. Requires the PUC to adopt rules under which an owner of a property described by Section 184.0401(2) is authorized to install submetering equipment to fairly allocate the cost of electric energy consumption of each dwelling unit or recreational vehicle.

SECTION 10. Amends Section 184.051(8), Utilities Code, to redefine "utility" as an electric utility, a retail electric provider an electric cooperative or a municipally owned utility, rather than a public, private, or member-owned utility, that provides electricity, water, or wastewater service to an apartment house served by a master meter.

SECTION 11. Amends Section 184.071(a), Utilities Code, to provide that a landlord who violates a PUC rule relating to submetering of electric utilities consumed exclusively in a tenant's dwelling unit or a rule relating to the allocation of central system utility costs or nonsubmetered SRC-JWT, BAC S.B. 2195 86(R)

master metered electricity costs, rather than electric utility costs, is liable to the tenant for certain costs and fees.

SECTION 12. Repealer: Section 184.011 (Definitions), Utilities Code.

Repealer: Section 184.031 (Definitions), Utilities Code.

Repealer: Section 184.051(1) (relating to defining "apartment house"), Utilities Code.

Repealer: Section 184.051(2) (relating to defining "apartment house owner"), Utilities Code.

Repealer: Section 184.051(5) (relating to defining "dwelling unit"), Utilities Code.

SECTION 13. Effective date: September 1, 2019.