

BILL ANALYSIS

Senate Research Center
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S.B. 512
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Advanced meters and meter information networks have been deployed in seven million homes in Electric Reliability Council of Texas (ERCOT) region, providing customers with cost savings and operational benefits including enhanced energy management tools and faster outage response times. ERCOT utilities deployed these advanced metering systems by filing a deployment plan with the Public Utility Commission of Texas (PUC) that adhered to relevant PUC consumer protection rules, and then recovered the costs associated with the deployment through a surcharge authorized by the Texas Legislature. Current law contains ambiguity as to whether the statute and PUC rules relating to the surcharge and customer protections would apply to non-ERCOT utilities like El Paso Electric Company (EPE) if it were to deploy advanced meters and meter information networks. The PUC has issued a legislative recommendation that the advanced metering rules be explicitly extended to all non-ERCOT utilities.

S.B. 512 clarifies that the surcharge and applicable customer protections adopted by PUC related to the deployment of advanced metering systems would also apply to El Paso Electric Company. Specifically, the passage of S.B. 512 allows EPE, if it chooses to deploy advanced meters and metering information networks, to do so in the same manner as authorized for ERCOT utilities and for Entergy Texas in 2017. This bill requires and ensures that a deployment plan approved by PUC for EPE contains the same customer protections, data security provisions, and opt-out provisions provided by PUC for ERCOT utilities and for Entergy Texas.

As proposed, S.B. 512 amends current law relating to the deployment of advanced metering and meter information networks in certain areas outside of ERCOT.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter L, Chapter 39, Utilities Code, by adding Section 39.5521, as follows:

Sec. 39.5521. METERING. (a) Provides that, notwithstanding Section 39.552 (Cost-of-Service Regulation), an electric utility subject to this subchapter (Transition to Competition and Other Provisions For Certain Areas Outside of ERCOT) that elects to deploy advanced metering and meter information networks, to recover reasonable and necessary costs incurred in deploying advanced metering and meter information networks. Provides that an electric utility that elects to deploy advanced metering or meter information networks is subject to Public Utility Commission (PUC) rules adopted under Sections 39.107 (h) (relating to the requirement of PUC to establish a nonbypassable surcharge for an electric utility or transmission and distribution utility to use to recover reasonable and necessary costs incurred in deployed advanced metering and meter information networks to residential customers and nonresidential customers other than those required by the independent system operator to have an interval data recorder meter) and (k) (relating to the requirement of the commissioner by rule to prohibit an electric utility or transmission and distribution utility from selling, sharing,

disclosing information generated, provided, or otherwise collected from an advanced metering system or meter information network, including information used to calculate charges for service, historical load data, and any other customer information). Requires PUC to ensure that any deployment plan approved under this section and any related customer surcharge:

(1) are not applicable to customer accounts that receive service at transmission voltage; and

(2) are consistent with PUC rules related to advanced metering systems regarding:

(A) customer protections;

(B) data security, privacy, and ownership; and

(C) options given consumers to continue to receive service through a non-advanced meter.

(b) Requires an electric utility subject to this subchapter that elects to deploy an advanced meter information network to deploy the network as rapidly as practicable to allow customers to better manage energy use and control costs.

SECTION 2. Effective date: upon passage or September 1, 2019.