

**PROJECT NO. 41614**

<b>RULEMAKING REGARDING NOTICE</b>	<b>§</b>	
<b>OF DISCONNECTION OF ELECTRIC</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>SERVICE TO NON-SUBMETERED</b>	<b>§</b>	
<b>MASTER METERED MULTIFAMILY</b>	<b>§</b>	<b>OF TEXAS</b>
<b>PROPERTIES</b>	<b>§</b>	

**PROPOSAL FOR PUBLICATION OF AMENDMENTS TO §25.29 AND §25.483  
AS APPROVED AT THE AUGUST 9, 2013 OPEN MEETING**

The Public Utility Commission of Texas (commission) proposes amendments to §25.29, relating to Disconnection of Service, and §25.483, relating to Disconnection of Service. The amendments are proposed pursuant to House Bill 1772, of the 83<sup>rd</sup> Texas Legislature, Regular Session, enacted in 2013. The purposes of the amendments are to update the responsibilities of retail electric providers and vertically integrated electric utilities to provide notice when electric power to a non-submetered master metered multifamily property is disconnected for non-payment, and to establish a mechanism by which a municipality may provide the commission with the contact information of the municipality's authorized representative for such notice of service disconnection. Project Number 41614 is assigned to this proceeding.

David Smithson, Retail Market Analyst, has determined that for each year of the first five-year period the proposed sections are in effect there will be no fiscal implications for state and local governments as a result of enforcing or administering the proposed sections.

Mr. Smithson has determined that for each year of the first five years the proposed sections are in effect, the primary public benefits anticipated as a result of enforcement of the proposed sections will be better communication with municipalities to provide notice of impending

disconnections of power to non-submetered master metered multifamily properties for nonpayment. Mr. Smithson has determined that for each year of the first five years the proposed sections are in effect the economic cost to persons required to comply with the proposed sections will be limited to the requirement for sellers of retail electric power, specifically retail electric providers and vertically integrated electric utilities, to notify municipalities of pending disconnection of non-submetered master metered multifamily properties if the property is located in a municipality and the municipality establishes a representative to receive the notice.

Mr. Smithson has also determined that for each year of the first five years the proposed sections are in effect there should be no effect on a local economy, and therefore no local employment impact statement is required under the Administrative Procedure Act (APA), Texas Government Code §2001.022.

Mr. Smithson has determined that there will be no adverse economic effect on small businesses or micro-businesses as a result of enforcing these sections. Therefore, no regulatory flexibility analysis is required.

The commission staff will conduct a public hearing on this rulemaking, if requested pursuant to the Administrative Procedure Act, Texas Government Code §2001.029, on Monday, September 9, 2013 at 10:00 a.m. at the commission's offices located in the William B. Travis Building, 1701 North Congress Avenue, Austin, Texas 78701. The request for a public hearing must be

received within 10 days of publication in the *Texas Register*. If requested, notice of a public hearing will be posted under this proceeding, Project Number 41614.

Comments on the proposed sections should be submitted to the Filing Clerk, Public Utility Commission of Texas, 1701 North Congress Avenue, P.O. Box 13326, Austin, Texas 78711-3326, by Friday, September 6, 2013. Sixteen copies of comments are required to be filed pursuant to §22.71(c). Comments should be organized in a manner consistent with the organization of the rule. All comments should refer to Project Number 41614.

The amendments are proposed under the Public Utility Regulatory Act, Texas Utilities Code Annotated §14.002 (West 2007 and Supp. 2012) (PURA), which provides authority to the commission to make and enforce rules reasonably required in the exercise of its powers and jurisdiction; and specifically House Bill 1772, of the 83<sup>rd</sup> Texas Legislature, Regular Session, that enacted in part new PURA §17.202 and §17.203. The new PURA §17.202 requires a retail electric provider or vertically integrated utility to send a written notice to a municipality before the retail electric provider or vertically integrated utility disconnects electric service to a non-submetered master metered multifamily property for nonpayment if certain conditions apply. The new PURA §17.203 in part requires the commission to develop, by rule, a mechanism by which a municipality may provide the commission with the contact information of the municipality's authorized representative for receiving notice of electric service disconnection to a non-submetered master metered multifamily property for nonpayment.

Cross Reference to Statutes: Public Utility Regulatory Act §14.002 and House Bill 1772, of the 83<sup>rd</sup> Texas Legislature, Regular Session, that enacted in part new PURA §17.202 and §17.203.

**§25.29. Disconnection of Service.**

(a) – (k) (No change.)

**(l) Electric service disconnection of a non-submetered master metered multifamily property.**

- (1) In this subsection, "non-submetered master metered multifamily property" means an apartment, a leased or owner-occupied condominium, or one or more buildings containing at least 10 dwellings that receive electric utility service that is master metered but not submetered.
- (2) An electric utility in an area where customer choice has not been introduced shall send a written notice of service disconnection to a municipality before disconnecting service to a non-submetered master metered multifamily property for nonpayment if:

  - (A) the property is located in the municipality; and
  - (B) the municipality establishes an authorized representative to receive the notice as described by paragraph (3) of this subsection.
- (3) No later than January 1st of every year, a municipality wishing to receive notice of disconnection of electric service to a non-submetered master metered multifamily property shall provide the commission with the contact information for the municipality's authorized representative referenced by paragraph (2) of this subsection by filing that person's name, telephone number, and email address in P.U.C. Project Number 41614.

- (4) After January 1st, but no later than January 30th of every year, the commission shall place onto its public website the contact information received from every municipality pursuant to paragraph (3) of this subsection.
- (5) The electric utility shall email the written notice required by this subsection to the municipality's authorized representative not later than the 10th day before the date electric service is scheduled for disconnection.
- (6) The customer safeguards provided by this subsection are in addition to safeguards provided by other law or agency rules.
- (7) This subsection does not prohibit a municipality or the commission from adopting customer safeguards that exceed the safeguards provided by this chapter.

**§25.483. Disconnection of Service.**

(a) – (n) (No change.)

**(o) Electric service disconnection of a non-submetered master metered multifamily property.**

- (1) In this subsection, "non-submetered master metered multifamily property" means an apartment, a leased or owner-occupied condominium, or one or more buildings containing at least 10 dwellings that receive electric utility service that is master metered but not submetered.
- (2) A REP shall send a written notice of service disconnection to a municipality before disconnecting service to a non-submetered master metered multifamily property for nonpayment if:

  - (A) the property is located in the municipality; and
  - (B) the municipality establishes an authorized representative to receive the notice as described by paragraph (3) of this subsection.
- (3) No later than January 1st of every year, a municipality wishing to receive notice of disconnection of electric service to a non-submetered master metered multifamily property shall provide the commission with the contact information for the municipality's authorized representative referenced by paragraph (2) of this subsection by filing that person's name, telephone number, and email address in P.U.C. Project Number 41614.

- (4) After January 1st, but no later than January 30th of every year, the commission shall place onto its public website the contact information received from every municipality pursuant to paragraph (3) of this subsection.
- (5) The retail electric provider shall email the written notice required by this subsection to the municipality's authorized representative not later than the 10th day before the date electric service is scheduled for disconnection.
- (6) The customer safeguards provided by this subchapter are in addition to safeguards provided by other law or agency rules.
- (7) This subsection does not prohibit a municipality or the commission from adopting customer safeguards that exceed the safeguards provided by this chapter.

This agency hereby certifies that the proposal has been reviewed by legal counsel and found to be within the agency's legal authority to adopt.

**ISSUED IN AUSTIN, TEXAS ON THE 13th DAY OF AUGUST, 2013 BY THE  
PUBLIC UTILITY COMMISSION OF TEXAS  
ADRIANA A. GONZALES**

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