

**CHAPTER 25. SUBSTANTIVE RULES APPLICABLE TO ELECTRIC SERVICE PROVIDERS.**

**Subchapter O. UNBUNDLING AND MARKET POWER.**

**DIVISION 1. UNBUNDLING.**

**§25.346. Separation of Electric Utility Metering and Billing Service Costs and Activities.**

- (a) **Purpose.** The purpose of this section is to identify and separate electric utility metering and billing service activities and costs for the purposes of unbundling.
- (b) **Application.** This section shall apply to electric utilities as defined in Public Utility Regulatory Act (PURA) §31.002 in areas where customer choice is in effect.
- (c) **Separation of transmission and distribution utility billing system service costs.**
  - (1) Transmission and distribution utility billing system services shall include costs related to the billing services described in §25.341(15) of this title (relating to Definitions).
  - (2) Charges for transmission and distribution utility billing system services shall not include any additional capital costs, operation and maintenance expenses, and any other expenses associated with billing services as prescribed by PURA §39.107(e).
- (d) **Separation of transmission and distribution utility billing system service activities.**
  - (1) Transmission and distribution utility billing system services as defined in §25.341 of this title shall be provided by the transmission and distribution utility.
  - (2) The transmission and distribution utility may provide additional retail billing services pursuant to PURA §39.107(e).
  - (3) Additional retail billing services pursuant to PURA §39.107(e) shall be provided on an unbundled discretionary basis pursuant to a commission-approved embedded cost-based tariff.
  - (4) The transmission and distribution utility may not directly bill an end-use retail customer for services that the transmission and distribution utility provides except when the billing is incidental to providing retail billing services at the request of a retail electric provider pursuant to PURA §39.107(e).
- (e) **Uncollectibles and customer deposits.**
  - (1) The retail electric provider is responsible for collection of its charges from retail customers and measures to secure payment.
  - (2) For the purposes of functional cost separation in §25.344 of this title (relating to Cost Separation Proceedings), retail customer uncollectibles and deposits shall be assigned to the unregulated function, as prescribed by §25.344(g)(2)(I) of this title.
- (f) **Separation of transmission and distribution utility metering system service costs.** Transmission and distribution utility metering system services shall include costs related to the transmission and distribution utility metering system services as defined in §25.341 of this title.
- (g) **Separation of transmission and distribution utility metering system service activities.**
  - (1) Prior to the introduction of customer choice, metering service shall be provided in accordance with Subchapter F of this chapter (relating to Metering). An electric utility shall continue to provide metering services pursuant to commission rules and regulations, but shall not engage in the provision of competitive energy services as defined by §25.341 of this title and prescribed by §25.343 of this title (relating to Competitive Energy Services).
  - (2) On the introduction of customer choice in a service area, metering services as described by §25.341(17) of this title for the area shall continue to be provided by the transmission and distribution utility affiliate (or successor in interest) of the electric utility that was serving the

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**§25.346(g)(2) continued**

area before the introduction of customer choice, but the transmission and distribution utility shall not engage in the provision of competitive energy services as defined by §25.341 of this title and prescribed by §25.343 of this title.

- (A) Standard meter service shall be provided in accordance with this subparagraph. Advanced meter service shall be provided in accordance with §25.130 of this title (relating to Advanced Metering).
  - (i) The standard meter shall be owned, installed, and maintained by the transmission and distribution utility except as prescribed by §25.311 of this title (relating to Competitive Metering Services).
  - (ii) The transmission and distribution utility shall bill a retail electric provider for non-bypassable charges based upon the measurements obtained from each end-use customer's standard meter.
  - (iii) If the retail electric provider requests the replacement of the standard meter with an advanced meter, the transmission and distribution utility shall charge the retail electric provider the incremental cost for the replacement of the standard meter with an advanced meter owned, operated, and maintained by the transmission and distribution utility.
  - (iv) Without authorization from the retail electric provider, the transmission and distribution utility's use of advanced meter data shall be limited to that energy usage information necessary for the calculation of transmission and distribution charges in accordance with that end-use customer's transmission and distribution rate schedule.
- (B) Nothing in this section precludes the retail electric provider from accessing the transmission and distribution utility's standard meter for the purposes of determining an end-use customer's energy usage.
- (C) Nothing in this section precludes the end-use customer or the retail electric provider from owning, installing, and maintaining metering equipment in addition to the standard meter.

(h) **Competitive energy services.**

- (1) Nothing in this section is intended to affect the provision of competitive energy services, including those that require access to the customer's meter.
- (2) An electric utility shall not provide any service that is deemed a competitive energy service under §25.341 of this title except as provided under §25.343 of this title.

(i) **Electronic data interchange.**

- (1) All transmission and distribution utilities, retail electric providers, power generation companies, power marketers, and electric utilities shall transmit data in accordance with standards and procedures adopted by the commission or the independent organization.
- (2) All transmission and distribution utilities, retail electric providers, power generation companies, power marketers, and electric utilities shall abide by the settlement procedures adopted by the commission or the independent organization.
- (3) Transmission and distribution utilities shall be allowed to recover such costs as prudently incurred in abiding by this subsection, to the extent not collected elsewhere, such as through the administrative fee of an independent organization.