

PROJECT NO. 41613

**RULEMAKING TO IMPLEMENT SB § PUBLIC UTILITY COMMISSION
981, 83rd LEGISLATIVE REGULAR §
SESSION § OF TEXAS**

**PROPOSAL FOR PUBLICATION OF AMENDMENT TO §25.21, §25.28, §25.471 AND
§25.480 AS APPROVED AT THE SEPTEMBER 12, 2013 OPEN MEETING**

The Public Utility Commission of Texas (commission) proposes amendment to §25.21 relating to General Provisions of Customer Service and Protection Rules, §25.28 relating to Bill Payment and Adjustments, §25.471 relating to General Provisions of Customer Protection Rules, and §25.480 relating to Bill Payment and Adjustments. The proposed amendments will allow an electric utility bill payment assistance program for veterans severely burned in combat. These amendments constitute competition rules subject to judicial review as specified in PURA §39.001(e). Project Number 41613 is assigned to this proceeding.

Grace Godines, Retail Market Analyst, Competitive Markets Division, 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 or local government as a result of enforcing or administering the sections.

Ms. Godines has determined that for each year of the first five years the proposed sections are in effect the public benefit anticipated as a result of enforcing the section will be electric bill payment assistance for veterans severely burned in combat.

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. There is no anticipated economic cost to persons who are required to comply with the sections as proposed.

Ms. Godines 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 Administrative Procedure Act (APA), Texas Government Code §2001.022.

The commission staff will conduct a public hearing on this rulemaking, if requested pursuant to the Administrative Procedure Act, Texas Government Code §2001.029, at the commission's offices located in the William B. Travis Building, 1701 North Congress Avenue, Austin, Texas 78701 on Wednesday, October 23, 2013 at 9:30 a.m. The request for a public hearing must be received by Monday, October 14, 2013.

Comments on the proposed amendment may be submitted to the Filing Clerk, Public Utility Commission of Texas, 1701 North Congress Avenue, P.O. Box 13326, Austin, Texas 78711-3326, by Monday, October 14, 2013. Sixteen copies of comments to the proposed amendments are required to be filed pursuant to §22.71(c) of this title. Reply comments may be submitted by Monday, October 28, 2013. Comments should be organized in a manner consistent with the organization of the proposed rule(s). The commission invites specific comments regarding the costs associated with, and benefits that will be gained by, implementation of the proposed sections. The commission will consider the costs and benefits in deciding whether to adopt the sections. All comments should refer to Project Number 41613.

These amendments are proposed under the Public Utility Regulatory Act, Texas Utilities Code Annotated §14.002 (PURA), which provides the Public Utility Commission with the authority to make and enforce rules reasonably required in the exercise of its powers and jurisdiction; and specifically, PURA §39.101, which requires the Commission to ensure that retail customer protections are established that entitle the customer to safe, reliable, and reasonable priced electricity, and other protections.

Cross Reference to Statutes: Public Utility Regulatory Act §§ 14.002, 36.061 and 39.101, 39.359, 182.201 and 182.202.

§25.21. General Provisions of Customer Service and Protection Rules.

(a) - (b) (No change.)

(c) **Definitions.** The following words and terms when used in this subchapter shall have the following meanings, unless the context indicates otherwise.

(1) **Applicant** – A person who applies for service for the first time or reapplies after disconnection of service.

(2) **Burned Veteran** – a customer who is a military veteran who a medical doctor certifies has a significantly decreased ability to regulate the body temperature because of severe burns received in combat.

(3)(2) **Customer** – A person who is currently receiving service from an electric utility in the person’s own name or the name of the person’s spouse.

(4)(3) **Days** – Unless the context clearly indicates otherwise, in this subchapter the term “days” shall refer to calendar days.

§25.28. Bill Payment and Adjustments.

(a) - (e) (No change.)

(f) **Notice of alternate payment programs or payment assistance.** When a customer contacts an electric utility and indicates inability to pay a bill or a need for assistance with the bill payment, the electric utility shall inform the customer of all alternative payment and payment assistance programs available from the electric utility, such as deferred payment plans, disconnection moratoriums for the ill, payment assistance program for veterans severely burned in combat, or energy assistance programs, as applicable, and of the eligibility requirements and procedure for applying for each.

(g) – (i) (No change.)

- (j) Recovery of costs associated with burned veteran payment assistance program.
- (1) An electric utility shall be allowed to recover a cost or expense of the bill payment assistance program established for military veterans when a medical doctor has certified that the veteran has significantly decreased ability to regulate the body temperature because of severe burns received in combat.
- (2) The electric utility is entitled to:
- (A) Fully recover all costs and expenses related to the bill payment assistance program;
- (B) Defer each cost or expense related to the bill payment assistance program not explicitly included in base rates; and

(C) Apply carrying charges at the utility's weighted average cost of capital to the extent related to the bill payment assistance program. Carrying charges shall be calculated by multiplying the balance of deferred costs and expenses of the bill payment assistance program by the utility's weighted-average cost of capital (WACC) as established for the utility in a final commission order in a base rate case, provided that the order was filed within three years prior to the initiation of the bill payment assistance program. Otherwise, a proxy WACC shall be used, with a cost of equity of 10%; and the capital structure and cost of debt as reported in the utility's most recent Earnings Monitoring Report filed pursuant to §25.73 of this title (relating to Financial and Operating Reports), adjusted for known and measurable changes.

§25.471. General Provisions of Customer Protection Rules.

(a) - (c) (No change.)

(d) **Definitions.** For the purposes of this subchapter the following words and terms have the following meaning, unless the context clearly indicates otherwise:

(1) (No change.)

(2) **Burned Veteran** - a customer who is a military veteran who a medical doctor certifies has a significantly decreased ability to regulate body temperature because of severe burns received in combat.

(3)(2) **Competitive energy services** — As defined in §25.341 of this title (relating to Definitions).

(4) (3) **Customer** — A person who is currently receiving retail electric service from a REP in the person's own name or the name of the person's spouse, or the name of an authorized representative of a partnership, corporation, or other legal entity, including a person who is changing premises but is not changing their REP.

(5)(4) **Electric service** — Combination of the transmission and distribution service provided by a transmission and distribution utility, municipally owned utility, or electric cooperative, metering service provided by a TDU or a competitive metering provider, and the generation service provided to an end-use customer by a REP. This term does not include optional competitive energy services, as defined in §25.341 of this title, that are not required for the customer to obtain service from a REP.

~~(6)~~⁽⁵⁾ **Energy service** — As defined in §25.223 of this title (relating to Unbundling of Energy Service).

~~(7)~~⁽⁶⁾ **Enrollment** — The process of obtaining authorization and verification for a request for service that is a move-in or switch in accordance with this subchapter.

~~(8)~~⁽⁷⁾ **In writing** — Written words memorialized on paper or sent electronically.

~~(9)~~⁽⁸⁾ **Move-in** — A request for service to a new premise where a customer of record is initially established or to an existing premise where the customer of record changes.

~~(10)~~⁽⁹⁾ **Retail electric provider (REP)** — Any entity as defined in §25.5 of this title (relating to Definitions). For purposes of this rule, a municipally owned utility or an electric cooperative is only considered a REP where it sells retail electric power and energy outside its certified service territory. An agent of the REP may perform all or part of the REP's responsibilities pursuant to this subchapter. For purposes of this subchapter, the REP shall be responsible for the actions of the agent.

~~(11)~~⁽¹⁰⁾ **Small commercial customer** — A non-residential customer that has a peak demand of less than 50 kilowatts during any 12-month period, unless the customer's load is part of an aggregation program whose peak demand is in excess of 50 kilowatts during the same 12- month period.

~~(12)~~⁽¹¹⁾ **Switch** — The process by which a person changes REPs without changing premises.

~~(13)~~⁽¹²⁾ **Termination of service** — The cancellation or expiration of a service agreement or contract by a REP or customer.

§25.480. Bill Payment and Adjustments.

(a) - (f) (No change.)

(g) **Alternate payment programs or payment assistance.**

(1) **Notice required.** When a customer contacts a REP and indicates inability to pay a bill or a need for assistance with the bill payment, the REP shall inform the customer of all applicable payment options and payment assistance programs that are offered by or available from the REP, such as bill payment assistance, deferred payment plans, disconnection moratoriums for the ill, or low-income energy assistance programs, bill payment assistance for veterans severely burned in combat and of the eligibility requirements and procedure for applying for each.

(2) (No change.)

(3) A REP shall provide to the commission information on its bill payment assistance program for veterans severely burned in combat and include that information in its annual report pursuant to §25.107 of this title. The commission will publish such information on the commission website.

(A) The annual report shall contain the number of ESI IDs served under this bill payment assistance program during the annual report period.

(B) Information provided pursuant to this subsection shall include the REP's name, the REP's certification number, and a toll free telephone number and website address where customers can obtain additional information on the REP's bill payment assistance for veterans severely burned in combat.

(h)-(n) (No change.)

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 12th DAY OF SEPTEMBER 2013 BY THE
PUBLIC UTILITY COMMISSION OF TEXAS
ADRIANA A. GONZALES**

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