

Changing Disclosure Requirements and Requiring REPs to Advertise for their Competitors

HB 1798 by Rep. Bohac

AECT Position: Amend

Proposal

- HB 1798 would require retail electric providers (REPs) to include on the monthly bill of customers receiving variable-rate electric service the cents per kilowatt-hour price for the current billing period, the preceding billing period and the upcoming billing period.
- HB 1798 also requires that the monthly bill informs customers of their ability to choose a new REP via www.powertochoose.org.

AECT Position

- AECT believes the Public Utility Commission of Texas' (PUC's) recently adopted disclosure rules are appropriate. Under the recently adopted rule, bills issued to customers receiving variable-rate electric service must include a statement informing the customer how to obtain information about the price that will apply on the next bill. In addition, the Energy Facts Label must advise the customer how to obtain the historical price of the product through a website and a toll-free number.
 - Requiring a REP to provide the estimated price of electric service for the upcoming billing period would require the REP to secure wholesale power supplies for those customers a month in advance, increasing the cost of providing variable rate service.
- AECT is concerned that requiring the inclusion of www.powertochoose.org on customers' bills is not consistent with competitive markets, as it requires advertising for one's competitors.
 - Many customers already find a provider through www.powertochoose.org.
 - Simply Googling common search terms, such as "Texas electric," "Texas electric choice" or "Texas electric competition" yields www.powertochoose.org as the top search result.
 - Billing space is limited and already requires a significant number of components. Simplicity in billing is important to avoid consumer confusion.