

By: Schofield

H.B. No. 3476

A BILL TO BE ENTITLED

1 AN ACT
2 relating to certificates of public convenience and necessity issued
3 to water utilities inside the boundaries or extraterritorial
4 jurisdiction of certain municipalities.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Section 13.245, Water Code, is amended by
7 amending Subsections (b), (c-3), (c-4), and (c-5) and adding
8 Subsections (b-1) and (c-6) to read as follows:

9 (b) Except as provided by Subsections (c), (c-1), and (c-2),
10 the utility commission may not grant to a retail public utility a
11 certificate of public convenience and necessity for a service area
12 within the boundaries or extraterritorial jurisdiction of a
13 municipality without the consent of the municipality. The
14 municipality may not unreasonably withhold the consent.

15 (b-1) A municipality may require, as [As] a condition of
16 [the] consent under Subsection (b) for a certificate for a service
17 area within the boundaries of the [a] municipality, [may require]
18 that all water and sewer facilities be designed and constructed in
19 accordance with the municipality's standards for facilities. A
20 municipality may not require, as a condition of consent under
21 Subsection (b) for a certificate for a service area within the
22 extraterritorial jurisdiction of the municipality, that all water
23 and sewer facilities be designed and constructed in accordance with
24 the municipality's standards for facilities.

1 (c-3) The utility commission must include, as a condition of
2 a certificate of public convenience and necessity granted under
3 Subsection (c-1) or (c-2) for a service area within the boundaries
4 of a municipality, that all water and sewer facilities be designed
5 and constructed in accordance with the municipality's standards for
6 water and sewer facilities.

7 (c-4) The utility commission must include, as a condition of
8 a certificate of public convenience and necessity granted under
9 this section for a service area within the extraterritorial
10 jurisdiction of a municipality, that all water and sewer facilities
11 be designed and constructed in accordance with the commission's
12 standards for water and sewer facilities.

13 (c-5) Subsections (c-1), (c-2), and (c-3) do not apply to:

14 (1) a county that borders the United Mexican States
15 and the Gulf of Mexico or a county adjacent to such a county;

16 (2) a county with a population of more than 30,000 and
17 less than 35,000 that borders the Red River; or

18 (3) a county with a population of more than 100,000 and
19 less than 200,000 that borders a county described by Subdivision
20 (2).

21 (c-6) [~~(c-5)~~] Subsections (c-1), (c-2), and (c-3) do not
22 apply to:

23 (1) a county with a population of 130,000 or more that
24 is adjacent to a county with a population of 1.5 million or more
25 that is within 200 miles of an international border; or

26 (2) a county with a population of more than 40,000 and
27 less than 50,000 that contains a portion of the San Antonio River.

1 SECTION 2. This Act takes effect September 1, 2021.