

By: Hughes

H.B. No. 125

A BILL TO BE ENTITLED

AN ACT

relating to the provision of water service, sewer service, and wastewater treatment service.

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

SECTION 1. Chapter 13, Water Code, is amended by adding Subchapter O to read as follows:

SUBCHAPTER O. SPECIAL PROVISIONS REGARDING WATER, SEWER, OR WASTEWATER TREATMENT SERVICE PROVIDED BY A MUNICIPALITY

Sec. 13.551. DETERMINATION OF COST OF SERVICE FOR CERTAIN MUNICIPALITIES. (a) This section applies only to a municipality with a population of less than 10,000 and applies to services provided under this chapter or under Chapter 11 or 12.

(b) A municipality may determine its cost of service for providing water service, sewer service, or wastewater treatment service to another municipality by dividing the total costs for the appropriate water, sewer, or treatment function, as recorded in the most recent audited financial statements, by the total volume of service billed for that function.

Sec. 13.552. BURDEN OF PROOF AND PAYMENT OF EXPENSES IN PETITION FOR REVIEW OR APPEAL OF RATES FOR SALE OF WATER FOR RESALE.

(a) The commission may not take action on a petition for a review of rates charged for the sale of water for resale under Chapter 11 or 12 or an appellant under Section 13.043(f) unless the petitioner demonstrates that the rate charged adversely affects the public

1 interest.

2 (b) If the commission does not find that a rate that is the
3 subject of a petition or appeal described by Subsection (a)
4 adversely affects the public interest, the commission shall assess
5 against the petitioners or appellants reasonable expenses incurred
6 in responding to the petition or appeal by the person charging the
7 rate reviewed or appealed. This subsection applies only to
8 petitions or appeals of rates by a petitioner or appellant that has
9 not had a rate increase by the person charging the rate reviewed or
10 appealed in at least 10 years.

11 Sec. 13.553. ORDER COMPELLING PROVISION OF SEWER SERVICE OR
12 WASTEWATER TREATMENT SERVICE. The commission may not order a
13 municipality to provide another municipality sewer service or
14 wastewater treatment service unless the commission finds that an
15 emergency exists.

16 SECTION 2. Subchapter O, Chapter 13, Water Code, as added by
17 this Act, applies to a petition or appeal filed on or after the
18 effective date of this Act and to a petition or appeal that is
19 pending on November 1, 2003. As necessary to facilitate the
20 implementation of that subchapter, the Texas Commission on
21 Environmental Quality shall suspend any hearing brought under the
22 Water Code that involves a municipality seeking review of or
23 appealing a rate for water or sewer service that is pending on
24 November 1, 2003.

25 SECTION 3. This Act takes effect November 1, 2003.