

## **BILL ANALYSIS**

Senate Research Center  
78R12672 MTB-F

H.B. 3338  
By: Puente (Armbrister)  
Natural Resources  
5/21/2003  
Engrossed

### **DIGEST AND PURPOSE**

H.B. 3338 requires water utilities to perform water audits in order to increase water conservation in Texas. Water conservation results in reduced energy use that contributes to improving Texas' air quality as well as preserving the state's limited water resources.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subchapter B, Chapter 16, Water Code, by adding Section 16.0121, as follows:

Sec. 16.0121. WATER AUDITS. (a) Defines "retail public utility."

(b) Requires a retail public utility providing potable water, every five years, to perform and file with the Texas Water Development Board (TWDB) a water audit computing the utility's most recent annual system water loss.

(c) Requires TWDB to develop appropriate methodologies and submission dates for a water audit required under Subsection (b) for certain categories of retail public utilities.

(d) Requires TWDB, in developing the methodologies required by Subsection (c), to ensure that each methodology is financially feasible for the category of retail public utility for which it is developed and considers certain differences and other factors determined by TWDB.

(e) Requires the methodologies required by Subsection (c) to account for various components of system water loss, including loss from distribution lines, inaccuracies in meters or accounting practices, and theft.

(f) Requires TWDB to compile the information included in the water audits required by Subsection (b) according to category of retail public utility and according to regional water planning area. Requires the regional planning group for a regional planning area to use the information to identify appropriate water management strategies in the development of a regional water plan under Section 16.053.

SECTION 2. Amends Section 16.053(j), Water Code, to authorize TWDB to provide financial assistance to political subdivisions under Subchapters E and F of this chapter, Subchapters C, D, E, F, J, O, and P, Chapter 15, and Subchapters D, I, K, and L, Chapter 17, for water supply projects only if certain conditions apply.

SECTION 3. Effective date: September 1, 2003.