

Amend CSHB 2986 by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill as appropriate:

SECTION _____. Subchapter C, Chapter 105, Utilities Code, is amended by adding Section 105.052 to read as follows:

Sec. 105.052. COST REIMBURSEMENT. (a) A gas utility shall reimburse the costs of a complainant in a proceeding filed under this title or under Subchapter G, Chapter 111, Natural Resources Code, to the extent the regulatory authority determines reasonable if the complainant prevails before a regulatory authority or a court.

(b) Costs for which a prevailing complainant may receive reimbursement under this section include costs:

(1) related to the investigation, preparation, prosecution, and litigation of a matter before a regulatory authority or court, such as the costs of consultants, accountants, auditors, attorneys, expert witnesses, and engineers; and

(2) that are not yet paid because payment has been deferred pending reimbursement by a gas utility.

(c) Notwithstanding any other provision of this title and except as provided by Subsection (d), a gas utility may not recover as or through a charge to the gas utility's customers any amount paid as reimbursement to a complainant under this section.

(d) A gas utility may recover through its rates its reasonable rate case expenses attributable to defending against a complaint under this title or under Subchapter G, Chapter 111, Natural Resources Code, if the regulatory authority finds the complaint to be frivolous or without significant merit. In making a determination under this section, the regulatory authority shall consider:

(1) the nature and degree of the offense that is the object of the complaint; and

(2) the degree to which the complaint was shown to be justified.

(e) This section does not diminish or restrict the right of a municipality to obtain rate assistance and receive cost reimbursement under Section 103.022.