Amend CSSB 1064 as follows:

(1) In the recital to SECTION 2 of the bill (committee printing page 1, line 19), strike "and (1) and adding Subsection (e-1)" and substitute "(1), (m), and (n) and adding Subsections (e-1), (n-1), and (n-2)".

(2) IN SECTION 2 of the bill, in amended Subsection (a), Section 13.187, Water Code (committee printing page 1, lines 31-39), strike Subdivisions (2) and (3) and substitute the following:

(2) a billing comparison regarding the existing water rate and the new water rate computed for the use of:

(A) <u>3,000 gallons of water;</u>

(B) 5,000 gallons of water;

(C) 10,000 gallons of water; and

(D) [(B)] 30,000 gallons of water; and

(3) a billing comparison regarding the existing sewer rate and the new sewer rate computed for the use of <u>5,000 gallons</u> <u>and</u> 10,000 gallons, unless the utility proposes a flat rate for sewer services; and

(4) the proposed effective date and the deadline by which customers must file any protests of the proposed rates, provided that the protest period concludes 90 days after the statement of intent is provided to the ratepayers.

(3) In SECTION 2 of the bill, in the second sentence of amended Subsection (e), Section 13.187, Water Code (committee printing page 1, line 61), after "provided" add the following: ". The regulatory authority must provide notice to the utility and any affected municipality that a hearing is being set on the proposed rate increase"

(4) In SECTION 2 of the bill, in amended Subsection (1), Section 13.187, Water Code (committee printing page 2, line 42), after the period, add the following:

The interim rates shall be based on the information contained in the rate change application and may not be lower than the rates on the utility's approved tariff immediately before filing the notice of intent to change the rates. If the regulatory authority is the commission, the executive director shall set the interim rates.

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(5) In SECTION 2 of the bill, after amended Subsection (1), Section 13.187, Water Code (committee printing page 2, between lines 42 and 43), add the following:

(m) If the regulatory authority sets a final rate that is lower than the interim rate, the utility shall refund or credit the difference between the interim rate and the final rate plus interest as determined by the regulatory authority unless otherwise agreed to by the parties to the rate proceeding. If the regulatory authority sets a final rate that is higher than the interim rate, the utility shall be allowed to collect the difference between the interim rate and final rate unless otherwise agreed to by the parties to the rate proceeding.

(n) <u>The</u> [For good cause shown, the] regulatory authority must make a final determination on the rates not later than:

(1) if the determination is made by a local regulatory authority, 150 days after the date the interim rates are established; or

(2) if the determination is made by the commission, 305 days after the effective date the interim rates are established [may at any time during the proceeding require the utility to refund money collected under a proposed rate before the rate was suspended or an interim rate was established to the extent the proposed rate exceeds the existing rate or the interim rate].

(n-1) If the regulatory authority does not make the determination within the deadline provided by Subsection (n), the proposed rates are automatically approved.

(n-2) Notwithstanding Subsection (n-1), the deadline for making a determination under Subsection (n) may be extended by the agreement of all parties to the rate proceeding, in which case the commission shall make the determination. A hearing shall be conducted in a timely manner to allow the commission to make its final determination on the proposed rates.

(5) Renumber the subsequent SECTIONs of the bill accordingly.

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