

## **BILL ANALYSIS**

C.S.H.B. 1695  
By: Hilderbran  
Environmental Regulation  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

The Office of Public Interest Counsel (OPIC) was created to ensure that the Texas Commission on Environmental Quality (TCEQ) promotes the public's interest and is responsive to both the environmental and citizens' concerns. Currently, OPIC represents the public interest and are party to all proceedings before the commission. They may also suggest needed legislative and regulatory changes.

CSHB 1695 abolishes OPIC and transfers OPIC's powers and duties to the Office of Public Utility Counsel (OPUC) to represent residential and small commercial consumers in certain water or sewer utility service matters before the Texas Commission on Environmental Quality.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

CSHB 1695 amends the Water Code by abolishing OPIC and requiring OPUC to ensure that the TCEQ promotes the public's interest and is responsive to environmental and citizens' concerns including environmental quality and consumer protection. The bill requires OPUC to represent the interests of residential and small commercial consumers under Chapter 13 of the Water Code. These duties include assessing utility rate changes and other regulatory actions on residential consumers and advocating a position most advantageous a substantial number of residential consumers. OPUC may appear or intervene on behalf of the residential or small commercial consumers and has the right to appear in specified judicial proceeding. CSHB 1695 states that OPUC is entitled to the same access as another party to the proceedings to gather records, to the discovery of any non-privileged information relevant to the subject matter of a proceeding or petition, and may represent the residential or small commercial consumer with respect to a complaint concerning retail services that is unresolved before the TCEQ. OPUC may recommend legislation to the legislature that positively affects the interests of residential and small commercial consumers. CSHB 1695 does not limit the authority of TCEQ to represent residential and small commercial consumers. The bill also provided that while other parties are entitled to appear on behalf of residential and small commercial consumers, OPUC may not be grouped with any other party.

CSHB 1695 clarifies that on January 1, 2008, OPIC is abolished and the following are transferred to OPUC:

1. Powers, duties, functions, programs, and activities of OPIC;
2. All obligations and contracts of OPIC or TCEQ pertaining to transferred power, duty, function, program, or activity;
3. All property and records in the custody of OPIC or TCEQ pertaining to transferred power, duty, function, program, or activity; and
4. Specified amounts appropriated to TCEQ by the 80th Legislature, Regular Session, 2007.

A rule or form adopted by OPIC or TCEQ that pertains to a transferred power, duty, function, program, or activity will remain in effect until altered by OPUC. Existing references in law to OPIC mean OPUC.

**EFFECTIVE DATE**

September 1, 2007.

**COMPARISON OF ORIGINAL TO SUBSTITUTE**

The substitute abolishes OPIC. The substitute requires OPUC, rather than OPIC, to ensure that the TCEQ promotes the public's interest and is responsive to environmental and citizens' concerns including environmental quality and consumer protection. The substitute outlines the transfer of power, duty, function, program, activity, and funds being transferred from OPIC to OPUC, and includes those obligations, contracts, property, and records of the TCEQ relating to powers and responsibilities transferred under this bill.