

By: Callegari

H.B. No. 642

A BILL TO BE ENTITLED

AN ACT

relating to certificates of public convenience and necessity of certain retail public utilities.

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

SECTION 1. Section 13.2451(b), Water Code, is amended to read as follows:

(b) The commission may not extend a municipality's certificate of public convenience and necessity beyond its extraterritorial jurisdiction without the written consent of the landowner who owns the property in which the certificate is to be extended. The portion of any certificate of public convenience and necessity that extends beyond the extraterritorial jurisdiction of the municipality without the consent of the landowner is void. If the landowner regularly receives and pays for service from the municipality, the landowner is considered to have consented to the municipality's certificate of public convenience and necessity unless the landowner specifically objects to the municipality's service in writing.

SECTION 2. Subchapter G, Chapter 13, Water Code, is amended by adding Section 13.2452 to read as follows:

Sec. 13.2452. CERTIFICATE TO ALTERNATE UTILITY PROHIBITED. The commission may not grant to a retail public utility a certificate of public convenience and necessity for an area outside of a municipality's extraterritorial jurisdiction that the

1 municipality served under a certificate before September 1, 2007,  
2 if the municipality:

3 (1) is providing continuous and adequate service to  
4 the area; and

5 (2) has a binding service commitment to a platted  
6 subdivision in the area or has another commitment to provide  
7 service in the area.

8 SECTION 3. Section 13.246(a-1), Water Code, is amended to  
9 read as follows:

10 (a-1) Except as otherwise provided by this subsection, in  
11 addition to the notice required by Subsection (a), the commission  
12 shall require notice to be mailed to each owner of a tract of land  
13 that is at least 25 [~~50~~] acres and is wholly or partially included  
14 in the area proposed to be certified. Notice required under this  
15 subsection must be mailed by first class mail to the owner of the  
16 tract according to the most current tax appraisal rolls of the  
17 applicable central appraisal district at the time the commission  
18 received the application for the certificate or amendment. Good  
19 faith efforts to comply with the requirements of this subsection  
20 shall be considered adequate notice to landowners. Notice under  
21 this subsection is not required for a matter filed with the  
22 commission under:

23 (1) Section 13.248 or 13.255; or

24 (2) Chapter 65.

25 SECTION 4. Section 13.2452, Water Code, as added by this  
26 Act, applies only to an application for a certificate of public  
27 convenience and necessity for which the Texas Commission on

1 Environmental Quality has not issued a final order before the  
2 effective date of this Act. An application for a certificate of  
3 public convenience and necessity for which a final order was issued  
4 before the effective date of this Act is governed by the law in  
5 effect on the date the final order was issued, and the former law is  
6 continued in effect for that purpose.

7 SECTION 5. This Act takes effect September 1, 2007.