

By: Callegari

H.B. No. 2678

A BILL TO BE ENTITLED

AN ACT

relating to certain rate changes by a water and sewer utility.

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

SECTION 1. Subchapter F, Chapter 13, Water Code, is amended by adding Section 13.188 to read as follows:

Sec. 13.188. ADJUSTMENT FOR CHANGE IN ENERGY COSTS.

(a) Notwithstanding any other provision of this chapter, the commission by rule shall adopt a procedure allowing a utility to file with the commission an application to timely adjust the utility's rates to reflect an increase or decrease in documented energy costs.

(b) The commission may adjust a utility's rates under this section without a hearing if the commission determines a hearing is not necessary.

(c) A proceeding under this section is not a rate case and Section 13.187 does not apply.

SECTION 2. Section 13.188, Water Code, as added by this Act, applies only to an application to change rates filed on or after the effective date of this Act. An application filed before the effective date of this Act is governed by the law in effect on that date, and the former law is continued in effect for that purpose.

SECTION 3. This Act takes effect September 1, 2007.