

1-1 By: Callegari (Senate Sponsor - Seliger) H.B. No. 2678  
1-2 (In the Senate - Received from the House May 9, 2007;  
1-3 May 10, 2007, read first time and referred to Committee on Natural  
1-4 Resources; May 21, 2007, reported favorably by the following vote:  
1-5 Yeas 7, Nays 1; May 21, 2007, sent to printer.)

1-6 A BILL TO BE ENTITLED  
1-7 AN ACT

1-8 relating to certain rate changes by a water and sewer utility.

1-9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-10 SECTION 1. Subchapter F, Chapter 13, Water Code, is amended  
1-11 by adding Section 13.188 to read as follows:

1-12 Sec. 13.188. ADJUSTMENT FOR CHANGE IN ENERGY COSTS.

1-13 (a) Notwithstanding any other provision of this chapter, the  
1-14 commission by rule shall adopt a procedure allowing a utility to  
1-15 file with the commission an application to timely adjust the  
1-16 utility's rates to reflect an increase or decrease in documented  
1-17 energy costs.

1-18 (b) The commission may adjust a utility's rates under this  
1-19 section without a hearing if the commission determines a hearing is  
1-20 not necessary.

1-21 (c) A proceeding under this section is not a rate case and  
1-22 Section 13.187 does not apply.

1-23 SECTION 2. Section 13.188, Water Code, as added by this Act,  
1-24 applies only to an application to change rates filed on or after the  
1-25 effective date of this Act. An application filed before the  
1-26 effective date of this Act is governed by the law in effect on that  
1-27 date, and the former law is continued in effect for that purpose.

1-28 SECTION 3. This Act takes effect September 1, 2007.

1-29 \* \* \* \* \*