

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 9, 2007

TO: Honorable Rick Hardcastle, Chair, House Committee on Energy Resources

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB2051 by Farabee (Relating to the authority of a gas utility to receive an interim adjustment for certain infrastructure projects.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would continue the Interim Rate Adjustment (IRA) provision that gas distribution utilities have had available to use under certain conditions through the Railroad Commission's next Sunset Review in 2013. The IRA provision allows certain utilities to change (generally increase) their rates annually in between full rate cases, reviews required at least every five years.

According to the Railroad Commission, passage of the bill would not have a significant impact on agency operations.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 455 Railroad Commission

LBB Staff: JOB, WK, TL