

AN ACT

relating to rates and methods of depreciation applied to a retired class of property for regulated water utilities.

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

SECTION 1. Subsection (c), Section 13.131, Water Code, is amended to read as follows:

(c) The commission shall fix proper and adequate rates and methods of depreciation, amortization, or depletion of the several classes of property of each utility and shall require every utility to carry a proper and adequate depreciation account in accordance with those rates and methods and with any other rules the commission prescribes. Rules adopted under this subsection must require the book cost less net salvage of depreciable utility plant retired to be charged in its entirety to the accumulated depreciation account in a manner consistent with accounting treatment of regulated electric and gas utilities in this state. Those rates, methods, and accounts shall be utilized uniformly and consistently throughout the rate-setting and appeal proceedings.

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2009.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 2306 passed the Senate on April 23, 2009, by the following vote: Yeas 30, Nays 0; May 14, 2009, Senate refused to concur in House amendments and requested appointment of Conference Committee; May 18, 2009, House granted request of the Senate; May 30, 2009, Senate adopted Conference Committee Report by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 2306 passed the House, with amendments, on May 11, 2009, by the following vote: Yeas 144, Nays 1, two present not voting; May 18, 2009, House granted request of the Senate for appointment of Conference Committee; May 23, 2009, House adopted Conference Committee Report by the following vote: Yeas 142, Nays 0, two present not voting.

Chief Clerk of the House

Approved:

Date

Governor