

1-1 By: Williams S.B. No. 2306
1-2 (In the Senate - Filed March 13, 2009; March 31, 2009, read
1-3 first time and referred to Committee on Natural Resources;
1-4 April 14, 2009, reported adversely, with favorable Committee
1-5 Substitute by the following vote: Yeas 10, Nays 0; April 14, 2009,
1-6 sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 2306 By: Seliger

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to rates and methods of depreciation applied to a retired
1-11 class of property for regulated water utilities.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Subsection (c), Section 13.131, Water Code, is
1-14 amended to read as follows:

1-15 (c) The commission shall fix proper and adequate rates and
1-16 methods of depreciation, amortization, or depletion of the several
1-17 classes of property of each utility and shall require every utility
1-18 to carry a proper and adequate depreciation account in accordance
1-19 with those rates and methods and with any other rules the commission
1-20 prescribes. Rules adopted under this subsection must require the
1-21 book cost less net salvage of depreciable utility plant retired to
1-22 be charged in its entirety to the accumulated depreciation account
1-23 in a manner consistent with accounting treatment of regulated
1-24 electric and gas utilities in this state. Those rates, methods,
1-25 and accounts shall be utilized uniformly and consistently
1-26 throughout the rate-setting and appeal proceedings.

1-27 SECTION 2. This Act takes effect immediately if it receives
1-28 a vote of two-thirds of all the members elected to each house, as
1-29 provided by Section 39, Article III, Texas Constitution. If this
1-30 Act does not receive the vote necessary for immediate effect, this
1-31 Act takes effect September 1, 2009.

1-32 * * * * *