

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 24, 2009

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

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

IN RE: HB3346 by Farabee (Relating to the definition of a gas utility.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The bill would add language to the definition of a gas utility by including as an exercise of eminent domain the representation to a property owner that the person has the right to acquire pipeline right-of-way by the use of eminent domain. The bill would also clarify that a gas utility is an entity under the jurisdiction of the Railroad Commission that is engaged in the business of transporting or distributing gas. The bill would exclude from regulation as a gas utility an electric cooperative or its subsidiary that sells electricity at wholesale and that offers or provides gas storage services to the public for hire if the gas storage facility is operated predominantly to support integration of renewable resources.

The bill is not expected to result in significant costs to state agencies.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 455 Railroad Commission, 473 Public Utility Commission of Texas

LBB Staff: JOB, SZ, TL, SD