

SENATE AMENDMENTS

2nd Printing

By: Farabee

H.B. No. 1883

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the authority of the Railroad Commission of Texas to
3 determine whether certain transporters of natural or synthetic gas
4 are gas utilities.

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

6 SECTION 1. Section 121.005, Utilities Code, is amended by
7 adding Subsection (d) to read as follows:

8 (d) The railroad commission may review a certification made
9 by a person under Subsection (a) and, after notice and opportunity
10 for a hearing, determine whether the person is eligible for an
11 exemption under that subsection.

12 SECTION 2. This Act takes effect September 1, 2009.

ADOPTED

MAY 21 2009

Atty Gen
Secretary of the Senate

By: Averitt

H.B. No. 1883

Substitute the following for ___B. No. _____:

By: *[Signature]*

C.S. ___B. No. _____

A BILL TO BE ENTITLED

AN ACT

1 relating to the status of certain transporters of natural or
2 synthetic gas and liquified natural gas marine terminals as gas
3 utilities.
4

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

6 SECTION 1. Section 121.005, Utilities Code, is amended by
7 adding Subsection (d) to read as follows:

8 (d) The railroad commission may review a certification made
9 by a person under Subsection (a). The railroad commission shall
10 invite a person whose certification is being reviewed to an
11 informal meeting to resolve the person's status under this
12 subsection. If the person's status remains unresolved after the
13 informal meeting and there is sufficient reason to move forward,
14 the railroad commission shall provide notice and an opportunity for
15 a hearing. After notice and an opportunity for a hearing, the
16 railroad commission may determine whether the person is eligible
17 for an exemption under this subsection.

18 SECTION 2. Subsection (a), Section 121.007, Utilities Code,
19 is amended to read as follows:

20 (a) A person operating a natural gas pipeline, a liquefied
21 natural gas pipeline, or an underground storage facility is not a
22 gas utility if the person certifies to the railroad commission that
23 the person uses the pipeline or underground storage facility solely
24 to deliver natural gas or liquefied natural gas or the constituents

1 of natural gas or liquefied natural gas:

2 (1) to a liquefied natural gas marine terminal;

3 (2) from a liquefied natural gas marine terminal to
4 the owner of the gas or another person on behalf of the owner of the
5 gas; [~~or~~]

6 (3) that is acquired, liquefied, or sold by the person
7 as necessary for the operation or maintenance of its facility that
8 is excluded as a gas utility under this section; or

9 (4) that has been stored for export.

10 SECTION 3. This Act takes effect September 1, 2009.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 21, 2009

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

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

IN RE: HB1883 by Farabee (Relating to the status of certain transporters of natural or synthetic gas and liquified natural gas marine terminals as gas utilities.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The bill would authorize the Railroad Commission (RRC) to review a certification made by a person claiming to be exempt from utility status because the person transports gas in, or in the vicinity of, the field or fields where the gas is produced (gathering lines). The bill would also require that the RRC invite a person who's certification is being reviewed to an informal meeting to resolve the person's status. If a person's status would remain unsolved after such informal meeting, the RRC would provide notice and an opportunity for hearing.

This estimate assumes that any additional workload requirements for the RRC resulting from the bill's passage could be absorbed using existing resources.

Local Government Impact

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

Source Agencies: 455 Railroad Commission

LBB Staff: JOB, SZ, TL, SD

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 15, 2009

TO: Honorable Kip Averitt, Chair, Senate Committee on Natural Resources

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

IN RE: HB1883 by Farabee (Relating to the status of certain transporters of natural or synthetic gas and liquified natural gas marine terminals as gas utilities.), **Committee Report 2nd House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would authorize the Railroad Commission (RRC) to review a certification made by a person claiming to be exempt from utility status because the person transports gas in, or in the vicinity of, the field or fields where the gas is produced (gathering lines). The bill would also require that the RRC invite a person whose certification is being reviewed to an informal meeting to resolve the person's status. If a person's status would remain unsolved after such informal meeting, the RRC would provide notice and an opportunity for hearing.

This estimate assumes that any additional workload requirements for the RRC resulting from the bill's passage could be absorbed using existing resources.

Local Government Impact

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

Source Agencies: 455 Railroad Commission

LBB Staff: JOB, SZ, TL, SD

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 12, 2009

TO: Honorable Kip Averitt, Chair, Senate Committee on Natural Resources

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

IN RE: HB1883 by Farabee (Relating to the authority of the Railroad Commission of Texas to determine whether certain transporters of natural or synthetic gas are gas utilities.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would authorize the Railroad Commission (RRC) to review a certification made by a person claiming to be exempt from utility status because the person transports gas in, or in the vicinity of, the field or fields where the gas is produced (gathering lines).

This estimate assumes that any additional workload requirements for the RRC resulting from the bill's passage could be absorbed using existing resources.

Local Government Impact

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

Source Agencies: 455 Railroad Commission

LBB Staff: JOB, SZ, TL, SD

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 28, 2009

TO: Honorable Jim Keffer, Chair, House Committee on Energy Resources

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

IN RE: HB1883 by Farabee (Relating to the authority of the Railroad Commission of Texas to determine whether certain transporters of natural or synthetic gas are gas utilities.),
Committee Report 1st House, Substituted

No significant fiscal implication to the State is anticipated.

The bill would authorize the Railroad Commission (RRC) to review a certification made by a person claiming to be exempt from utility status because the person transports gas in, or in the vicinity of, the field or fields where the gas is produced (gathering lines).

This estimate assumes that any additional workload requirements for the RRC resulting from the bill's passage could be absorbed using existing resources.

Local Government Impact

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

Source Agencies: 455 Railroad Commission

LBB Staff: JOB, SZ, TL, SD

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 7, 2009

TO: Honorable Jim Keffer, Chair, House Committee on Energy Resources

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

IN RE: HB1883 by Farabee (Relating to the authority of the Railroad Commission of Texas to determine whether certain transporters of natural or synthetic gas are gas utilities.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would authorize the Railroad Commission (RRC) to investigate a certification made by a person claiming to be exempt from utility status because the person transports gas in, or in the vicinity of, the field or fields where the gas is produced (gathering lines). The bill would authorize the RRC to require additional information from the person to support the claim of exemption, and it would require the RRC to revoke a person's exemption if the RRC finds, after notice and opportunity for hearing, that the person is not eligible for the exemption.

This estimate assumes that any additional workload requirements for the RRC resulting from the bill's passage could be absorbed using existing resources.

Local Government Impact

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

Source Agencies: 455 Railroad Commission

LBB Staff: JOB, TL, SD