BILL ANALYSIS

Senate Research Center

S.B. 181 By: Shapiro et al. Natural Resources 3/11/2011 As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The most common metric used to measure water usage is gallons per capita per day (GPCD). GPCD is a planning tool that is used to project the future water needs of each municipality, as well as to implement and track water conservation efforts. There is no consistent formula by which GPCD is calculated, which can adversely impact a municipality's planning ability and conservation efforts.

In order for GPCD measures to be effective and to make a true comparison of water usage and future needs possible, these measurements and methods of calculation need to be uniform. Ensuring that the State of Texas has an accurate planning and conservation measure in place is critical to meeting the long-term water needs of all Texans.

S.B. 181 addresses this problem by requiring the Texas Water Development Board (TWDB), in consultation with the Texas Commission on Environmental Quality (TCEQ) and the Water Conservation Advisory Council (WCAC), to develop a standard formula for calculating and reporting municipal water use in GPCD. The bill establishes minimum criteria to guide the formulation of a GPCD metric, and requires TWDB, TCEQ, and WCAC to develop a data collection and reporting program to assist municipalities and water utilities in using the GPCD formula.

As proposed, S.B. 181 amends current law relating to the reporting of water conservation measures by municipalities and water utilities.

[**Note:** While the statutory reference in this bill is to the Texas Natural Resource Conservation Commission (TNRCC), the following amendments affect the Texas Commission on Environmental Quality, as the successor agency to TNRCC.]

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter K, Chapter 16, Water Code, by adding Section 16.403, as follows:

Sec. 16.403. WATER CONSERVATION REPORTING. (a) Provides that the legislature finds that:

(1) tracking the implementation of water conservation strategies or projects as part of the state water plan is necessary in order to evaluate the extent to which the water planning process is aiding the state's ability o meet future water demands;

(2) gallons per capita per day, the common metric used by municipalities and water utilities for water supply planning and conservation implementation and tracking, is not an accurate measure of water

SRC-VCW S.B. 181 82(R)

conservation, because a uniform, consistent methodology for the calculation of gallons per capita per day has not been established;

(3) using a single gallons per capita per day metric to compare the water use and conservation of municipalities and utilities does not produce a reliable comparison, because water use and conservation depend on several variables, such as differences in the amount of water used for power production and commercial and industrial sector activities, permanent versus temporary service populations, and agricultural sector production;

(4) a utility or municipality's industrial and agricultural sector gallons per capita per day figures are not an accurate measure of actual water use and conservation by entities within those sectors, because water use in the industrial and agricultural sectors is not population-dependent and thus not accurately calculated using a population-based metric; and

(5) a sector-based water conservation metric is necessary in order to provide an accurate comparison of water conservation progress among utilities and municipalities.

(b) Requires the Texas Water Development Board (TWDB) and the Texas Natural Resource Conservation Commission (TNRCC), in consultation with the Water Conservation Advisory Council, not later than September 1, 2012, to develop uniform methodology and guidance for calculating and reporting municipal water use and conservation for use in water conservation plans and reports that, at a minimum, include:

(1) a uniform methodology for municipalities and water utilities on how to calculate water use and conservation for various sectors of water users, including guidance for categorizing water users within sectors;

(2) a uniform gallons per capita per day methodology for residential sector use that includes both single-family residential and multifamily residential use;

(3) a uniform gallons per capita per day methodology for commercial and institutional sector use;

(4) a uniform methodology for calculating industrial and agricultural sector use that is not population-dependent; and

(5) guidance for municipalities and water utilities in the use of service populations when developing per capita-based calculations, in consideration of permanent and temporary service populations, as appropriate.

(c) Requires TWDB and TNRCC, on development of the uniform methodology and guidance under Subsection (b), to incorporate the uniform methodology and guidance into the plans and reports required under Sections 11.1271 (Additional Requirements: Water Conservation Plans), 13.146 (Water Conservation Plan), and 15.106 (Approval of Application).

(d) Requires TWDB to work with TNRCC and the Water Conservation Advisory Council on the development of a data collection and reporting program to be implemented in phases, according to size of utility, over a five-year period. Requires that this data collection and reporting program be required of all municipalities and water utilities not later than January 1, 2017. (e) Requires TWDB, beginning on January 1, 2013, to submit an annual report to the legislature that includes the most recent data on statewide water usage in each of the major water use sectors described by Subsections (b)(2) and (3). Requires that the report include information on projected water use and conservation and the status of the implementation of state water plan projects to meet the state's projected water demands.

SECTION 2. Effective date: upon passage or September 1, 2011.