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           Shapiro, Watson, Seliger
                                                                S.B. No. 181
      By:
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             (In the Senate - Filed November 8, 2010; January 31, 2011,
      read first time and referred to Committee on Natural Resources; March 17, 2011, reported adversely, with favorable Committee
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      Substitute by the following vote: Yeas 11, Nays 0; March 17, 2011,
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      sent to printer.)
      COMMITTEE SUBSTITUTE FOR S.B. No. 181
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                                                                  By: Estes
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                               A BILL TO BE ENTITLED
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                                      AN ACT
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      relating to the calculation and reporting of water usage by
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      municipalities and water utilities for state water planning and
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      other purposes.
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             BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
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             SECTION 1. Subsection (e), Section 16.053, Water Code, is
      amended to read as follows:
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                 Each regional water planning group shall submit to the
             (e)
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      development board a regional water plan that:
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                  (1) is consistent with the guidance principles for the
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      state water plan adopted by the development board under Section
      16.051(d);
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                       provides information based on data provided or
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      approved by the development board in a format consistent with the
      guidelines provided by the development board under Subsection (d);
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                        identifies:
                  (3)
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(A) each source of water supply in the regional area, including information supplied by the water planning executive administrator on the amount of managed available groundwater in accordance with the guidelines provided by the development board under Subsections (d) and (f);

(B) factors specific to each source of water

supply to be considered in determining whether to initiate a drought response;

(C) actions to be taken as part of the response;

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- (D) major infrastructure existing water facilities that may be used for interconnections in the event of an emergency shortage of water;
- has specific provisions for water management (4)
- strategies to be used during a drought of record;
 (5) includes but is not limited to consideration of the following:
- (A) any existing water or drought planning efforts addressing all or a portion of the region;
- (B) approved groundwater conservation district management plans and other plans submitted under Section 16.054;
- (C) all potentially feasible water management strategies, including but not limited to improved conservation, reuse, and management of existing water supplies, conjunctive use, acquisition of available existing water supplies, and development of new water supplies;
 - (D) protection of existing water rights in the

1-52 region; 1-53

- (E) opportunities for and the benefits developing regional water supply facilities or providing regional management of water supply facilities;
- 1-55 1-56 (F) appropriate provision for environmental 1-57 water needs and for the effect of upstream development on the bays, 1-58 estuaries, and arms of the Gulf of Mexico and the effect of plans on 1-59 navigation;
 - (G) provisions Section 11.085(k)(1)in interbasin transfers are contemplated;
- 1-61 1-62 (H) voluntary transfer of water within the region using, but not limited to, regional water banks, sales, leases, 1-63

C.S.S.B. No. 181

options, subordination agreements, and financing agreements; and

(I) emergency transfer of water under Section 11.139, including information on the part of each permit, certified filing, or certificate of adjudication for nonmunicipal use in the region that may be transferred without causing unreasonable damage to the property of the nonmunicipal water rights holder;

(6)identifies river and stream segments of unique ecological value and sites of unique value for the construction of reservoirs that the regional water planning group recommends for

protection under Section 16.051;

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- assesses the impact of the plan on unique river and (7) stream segments identified in Subdivision (6) if the regional water planning group or the legislature determines that a site of unique ecological value exists; [and]
- describes the impact of proposed water projects on (8) water quality; and (9) in

includes information on:

(A) projected water use and conservation in the

regional water planning area; and

the implementation of state and regional including water conservation strategies, (B) water plan projects, necessary to meet the state's projected water demands.

SECTION 2. Subchapter K, Chapter 16, Water Code, is amended by adding Sections 16.403 and 16.404 to read as follows:

Sec. 16.403. WATER USE REPORTING. (a) The legislature finds that:

(1)tracking water use over time and evaluating the effects of water conservation programs or strategies are vital components of planning for and managing the state's water resources

to estimate and meet future water demand requirements;
(2) gallons per capita per day, the common metric used by municipalities and water utilities for water supply planning and the calculation of water use, is not an accurate measure of water use or water conservation because a uniform, consistent methodology the calculation of gallons per capita per day has not been established;

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

(4) if valid water use comparisons and evaluations of a municipality's or water utility's water conservation programs are to be made over time for statewide resource management and water supply planning and permitting purposes, the methodology used to calculate gallons per capita per day must be uniform for all water suppliers;

a municipality's or water utility's industrial and agricultural sector's 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 therefore not accurately calculated using a population-based metric; and

(6) a sector-based water use metric, adjusted variables in water use by municipalities and water utilities, is necessary in order to provide an accurate comparison of water use and water conservation among municipalities and water utilities.

(b) The board and the commission, in consultation with the Conservation Advisory Council, shall develop a uniform, consistent methodology and guidance for calculating water use and conservation to be used by a municipality or water utility in developing water conservation plans and preparing reports required under this code. At a minimum, the methodology and guidance must include:

a method of calculating water use for each sector of water users served by a municipality or water utility;
(2) a method of classifying water users

within

sectors;

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3-64 3-65 3-66 3-67 (3) a method of calculating water use in the residential sector that includes both single-family and multifamily residences, in gallons per capita per day;

(4) a method of calculating water use in the industrial, agricultural, commercial, and institutional sectors that is not dependent on a municipality's population or the number of customers served by a water utility; and

(5) guidelines on the use of service populations by a municipality or water utility in developing a per-capita-based method of calculation, including guidance on the use of permanent and temporary populations in making calculations.

(c) The board or the commission, as appropriate, shall use the methodology and guidance developed under Subsection (b) in evaluating a water conservation plan, program of water conservation, survey, or other report relating to water conservation submitted to the board or the commission under:

(1) Section 11.1271; (2) Section 13.146; Section 15.106; Section 15.607; (4) (5) <u>Section 15.975;</u> (6) Section 15.995; (7) Section 16.012(m); Section 16.402; Section 17.125; (8) (9) (10) Section 17.277; (11) Section 17.857; or Section 17.927. (12)

(d) The board, in consultation with the commission and the Water Conservation Advisory Council, shall develop a data collection and reporting program for municipalities and water utilities with more than 3,300 connections.

(e) Not later than January 1 of each odd-numbered year, the board shall submit to the legislature a report that includes the most recent data relating to:

(1) statewide water usage in the residential, industrial, agricultural, commercial, and institutional sectors; and

(2) the data collection and reporting program developed under Subsection (d).

Sec. 16.404. RULES AND STANDARDS. The commission and the

Sec. 16.404. RULES AND STANDARDS. The commission and the board, as appropriate, shall adopt rules and standards as necessary to implement this subchapter. At a minimum, the rules adopted under this subchapter must require an entity to report the most detailed level of water use data currently available to the entity. The commission may not adopt a rule that requires an entity to report water use data that is more detailed than the entity's billing system is capable of producing. The rules may require that billing systems purchased after September 1, 2011, be capable of reporting detailed water use data described in this subchapter.

SECTION 3. (a) Not later than January 1, 2013, the Texas Water Development Board and the Texas Commission on Environmental Quality, in consultation with the Water Conservation Advisory Council, shall develop the water use and conservation calculation methodology and guidance and the data collection and reporting program required by Subsections (b) and (d), Section 16.403, Water Code, as added by this Act.

(b) Not later than January 1, 2015, the Texas Water Development Board shall submit to the legislature the first report required by Subsection (e), Section 16.403, Water Code, as added by this Act.

SECTION 4. 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, 2011.

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