

## **BILL ANALYSIS**

Senate Research Center  
83R20613 RWG-D

H.B. 857  
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Natural Resources  
5/2/2013  
Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Interested parties note that due to the heightened awareness for water conservation, the Texas Legislature has recently started to phase in water audit requirements for retail public utilities providing potable water. These water audits identify the amount of water loss in water delivery systems. An annual audit is required of a utility that receives financial assistance from the Texas Water Development Board (TWDB), while a utility that does not receive financial assistance from TWDB is required to perform and file an audit every five years.

H.B. 857 seeks to increase the number of utilities that are required to perform and file an annual water audit so that water loss areas can be identified and repaired sooner and savings can be passed along to customers. The bill also seeks to further the state's objective for more efficient water management practices.

H.B. 857 amends current law relating to the frequency of water audits by certain retail public utilities.

### **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 Sections 16.0121(b), (b-1), and (c), Water Code, as follows:

(b) Requires a retail public utility providing potable water, rather than a retail public utility providing potable water that receives from the Texas Water Development Board (TWDB) financial assistance, except as provided by Subsection (b-1), to perform and file with TWDB an annual water audit computing the utility's system water loss during the preceding year.

(b-1) Requires a retail public utility providing potable water that does not receive from TWDB financial assistance and is serving a population of 3,300 or less to perform and file with TWDB every five years a water audit computing the utility's most recent annual system water loss.

(c) Requires TWDB to develop appropriate methodologies and submission dates for a water audit required under Subsection (b) or (b-1) for the following categories of retail public utilities:

(1)-(2) Makes no change to these subdivisions;

(3) retail public utilities serving populations of 10,000 or more but less than 50,000, rather than serving populations of more than 10,000 but less than 50,000;

(4) retail public utilities serving populations of more than 3,300 but less than 10,000; and

(5) retail public utilities serving populations of 3,300 or less.

Makes a nonsubstantive change.

SECTION 2. Requires a retail public utility, not later than September 1, 2014, to submit its initial annual water audit required by Section 16.0121(b), Water Code, as amended by this Act. Requires that the initial water audit compute the utility's most recent annual system water loss.

SECTION 3. Effective date: September 1, 2013.