

By: Larson

H.B. No. 2752

A BILL TO BE ENTITLED

AN ACT

relating to the development and operation of advanced brackish desalination projects.

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

SECTION 1. The Water Code is amended by adding Title 6 to read as follows:

TITLE 6. WATER INFRASTRUCTURE

CHAPTER 201. ADVANCED BRACKISH DESALINATION PROJECTS

Sec. 201.001. DEFINITIONS. In this chapter:

(1) "Advanced brackish desalination project" means a project owned or operated by a governmental entity or nonprofit corporation that:

(A) is designed to reduce the total dissolved solids in brackish water to less than 1,000 milligrams per liter; and

(B) is integrated with an electric generation facility owned by a power generation company as defined by Section 31.002, Utilities Code.

(2) "Brackish water" means surface water or groundwater containing more than 1,000 milligrams and less than 10,000 milligrams per liter of total dissolved solids.

(3) "Governmental entity" means a municipality, county, district, or other political subdivision or public entity or instrumentality.

1 (4) "Nonprofit corporation" includes a water supply or
2 sewer service corporation operating under Chapter 67.

3 Sec. 201.002. INTEGRATION WITH ELECTRIC GENERATION FACILITY.

4 For purposes of this chapter, an advanced brackish desalination
5 project is considered to be integrated with an electric generation
6 facility if the project and the facility:

7 (1) are located in the same or an adjacent county; and

8 (2) are directly connected using transmission
9 facilities that are not owned or operated by an electric utility.

10 Sec. 201.003. PROJECT FUNDING. An advanced brackish
11 desalination project that conserves or reuses water may receive
12 funding from the Texas Water Development Board in the same manner as
13 a project included in the state water plan adopted under Section
14 16.051. For purposes of this section, there is a presumption that an
15 advanced brackish desalination project is a water conservation or
16 reuse project designed to reduce the need for the development of
17 additional fresh water resources.

18 Sec. 201.004. ELECTRICITY TRANSACTIONS. (a) An electric
19 generation facility that is integrated with an advanced brackish
20 desalination project and provides electricity to the project is not
21 an electric utility or a retail electric provider, as defined by
22 Section 31.002, Utilities Code, or a retail electric utility, as
23 defined by Section 37.001, Utilities Code, solely because of the
24 electricity transactions between the facility and the project.

25 (b) A purchase of electricity described by this chapter or
26 of a related resource, such as thermal output, made by a
27 governmental entity or nonprofit corporation for the purposes of an

1 advanced brackish desalination project is a purchase of personal
2 property under Subchapter A, Chapter 271, Local Government Code,
3 and the sale of that electricity may not be considered a retail sale
4 of electricity.

5 Sec. 201.005. PARTNERSHIPS. A private entity or other
6 person may submit a proposal requesting approval of an advanced
7 brackish desalination project as a qualifying project under Chapter
8 2267, Government Code.

9 SECTION 2. Section 36.001, Water Code, is amended by
10 amending Subdivision (5) and adding Subdivision (31) to read as
11 follows:

12 (5) "Groundwater" means water percolating below the
13 surface of the earth. The term does not include brackish
14 groundwater.

15 (31) "Brackish groundwater" means groundwater
16 containing more than 1,000 milligrams and less than 10,000
17 milligrams per liter of total dissolved solids.

18 SECTION 3. Section 36.117, Water Code, is amended by
19 amending Subsection (l) and adding Subsection (m) to read as
20 follows:

21 (l) Except as provided by Subsection (m), this [~~This~~]
22 chapter applies to water wells, including water wells used to
23 supply water for activities related to the exploration or
24 production of hydrocarbons or minerals. This chapter does not
25 apply to production or injection wells drilled for oil, gas,
26 sulphur, uranium, or brine, or for core tests, or for injection of
27 gas, saltwater, or other fluids, under permits issued by the

1 Railroad Commission of Texas.

2 (m) This chapter does not apply to wells used to withdraw
3 brackish groundwater for an advanced brackish desalination
4 project, as defined by Chapter 201.

5 SECTION 4. This Act takes effect September 1, 2013.