

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 15, 2013

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB291 by Nelson (Relating to notice requirements for gas utilities entering certain real property; providing an administrative penalty.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

This bill would require that gas utilities or municipally owned utilities with easements over real property provide written notice sent to the property's address before a representative of the utility accesses the easement. The notice of intent to enter property would have to be provided five days before the date of entry. The bill would provide five exceptions to the notice requirement: (1) for an emergency, (2) to re-establish service, (3) to take a meter reading (4) to locate underground facilities in response to a one-call request, or an attempt to collect on an unpaid utility bill. The bill would provide administrative enforcement authority to the Railroad Commission. The Commission would be authorized to assess a \$200 administrative penalty for failure to comply with the notice requirement. The utility would have an option for judicial review for violations of the proposed statute.

Although the Railroad Commission could incur some costs in handling complaints, enforcement, and contested case hearings, this estimate assumes such costs could be reasonably absorbed using existing agency resources. This estimate also assumes that any revenue associated with penalty assessments would not be significant.

Local Government Impact

There could be some fees assessed to municipally owned utilities who enter property without giving notice as stated by the bill, but these costs would vary depending on the number of violations and are not anticipated to be significant.

Source Agencies: 302 Office of the Attorney General, 455 Railroad Commission

LBB Staff: UP, SZ, ZS, TL, KKR