

By: Lucio

S.B. No. 1842

A BILL TO BE ENTITLED

AN ACT

relating to an application for the amendment of a certificate of public convenience and necessity in an area inside the boundaries of a political subdivision.

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

SECTION 1. Section 13.002, Water Code, is amended by adding Subdivision (13-a) to read as follows:

(13-a) "Municipal utility district" means a political subdivision of this state operating under Chapter 54.

SECTION 2. Subchapter G, Chapter 13, Water Code, is amended by adding Section 13.258 to read as follows:

Sec. 13.258. UTILITY'S APPLICATION FOR SERVICE INSIDE MUNICIPAL UTILITY DISTRICT UNDER CONTRACT. (a) Notwithstanding any other provision of this chapter, a Class A utility may apply to the commission to provide services inside the boundaries of a municipal utility district.

(b) An application under this section must be accompanied by:

- (1) information identifying the applicant;
- (2) the name of the municipal utility district;
- (3) the written consent of the municipal utility district that holds the certificate of convenience and necessity;
- (4) a written statement by the municipal utility district that the application is supported by a contract between

1 the municipal utility district and the utility for the utility to
2 provide services inside the boundaries of the municipal utility
3 district; and

4 (5) a description of the proposed service area by:

5 (A) a metes and bounds survey certified by a
6 licensed state land surveyor or a registered professional land
7 surveyor;

8 (B) the Texas State Plane Coordinate System;

9 (C) verifiable landmarks, including roads,
10 creeks, or railroad lines; or

11 (D) if a recorded plat of the area exists, lot and
12 block number.

13 (c) For an application under this section, the utility
14 commission may not require any information other than the
15 information required by this section.

16 (d) Not later than the 60th day after the date an applicant
17 files an application under this section, the utility commission
18 shall review whether the application is complete. If the utility
19 commission finds that the application is complete, the utility
20 commission shall:

21 (1) find that the application is necessary for the
22 service, accommodation, convenience, or safety of the public; and

23 (2) grant the application.

24 (e) The utility commission's decision under this section
25 becomes final after reconsideration, if any, authorized by utility
26 commission rule, and may not be appealed.

27 (f) The consent of a municipality is not required for the

1 utility commission to grant an application as provided by
2 Subsection (a) for an area that is in the municipality's
3 extraterritorial jurisdiction.

4 (g) Sections 13.241(d) and 13.245 do not apply to an
5 application under this section.

6 (h) Chapter 2001, Government Code, does not apply to an
7 application for an amendment of a certificate of public convenience
8 and necessity under this section.

9 SECTION 3. Section 341.035(d), Health and Safety Code, is
10 amended to read as follows:

11 (d) A person is not required to file a business plan under
12 Subsection (a)(1) or (b) if the person:

13 (1) is a county;

14 (2) is a retail public utility as defined by Section
15 13.002, Water Code, unless that person is a utility as defined by
16 that section;

17 (3) has executed an agreement with a political
18 subdivision to transfer the ownership and operation of the water
19 supply system to the political subdivision; ~~or~~

20 (4) is a Class A utility, as defined by Section 13.002,
21 Water Code, that has applied for or been granted an application to
22 provide service under Section 13.258, Water Code, for the area in
23 which the construction of the public drinking water supply system
24 will operate; or

25 (5) is a noncommunity nontransient water system and
26 the person has demonstrated financial assurance under Chapter 361
27 or 382 of this code or Chapter 26, Water Code.

1 SECTION 4. The change in law made by this Act applies only
2 to an application for an amendment of a certificate of public
3 convenience and necessity filed on or after the effective date of
4 this Act. An application filed before the effective date of this
5 Act is governed by the law in effect on the date the application is
6 filed, and the former law is continued in effect for that purpose.

7 SECTION 5. This Act takes effect September 1, 2017.