

By: Lucio III

H.B. No. 4553

A BILL TO BE ENTITLED

AN ACT

relating to the certificate of convenience and need decertification.

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

SECTION 1. Section 13.255, Sec. (c) Water Code, is amended to read as follows:

(c) The utility commission ~~[shall]~~ may grant single certification to the municipality unless the utility commission makes an express finding that the municipality failed to demonstrate the retail public utility is not capable of providing service to the proposed decertified area on a continuous and adequate basis and supports each of its findings and conclusions based solely on the information provided by the municipality and the retail public utility. If the utility commission grants single certification to the municipality, the utility commission shall ~~[also determine whether single certification as requested by the municipality would result in property of a retail public utility being rendered useless or valueless to the retail public utility, and shall]~~ determine in its order the monetary amount that is adequate and just to compensate the retail public utility for such property. If the municipality in its application has requested the transfer of specified property of the retail public utility to the municipality or to a franchised utility, the utility commission shall also determine in its order the adequate and just

1 compensation to be paid for such property pursuant to the  
2 provisions of this section, including an award for damages to  
3 property remaining in the ownership of the retail public utility  
4 after single certification. The order of the utility commission  
5 shall not be effective to transfer property. The retail public  
6 utility may appeal the utility commission ruling in a separate  
7 appeals hearing before the utility commission. A transfer of  
8 property may only be obtained under this section by a court judgment  
9 rendered pursuant to Subsection (d) or (e). The grant of single  
10 certification by the utility commission shall go into effect on the  
11 date the municipality or franchised utility, as the case may be,  
12 pays adequate and just compensation pursuant to court order, or  
13 pays an amount into the registry of the court or to the retail  
14 public utility under Subsection (f). If the court judgment provides  
15 that the retail public utility is not entitled to any compensation,  
16 the grant of single certification shall go into effect when the  
17 court judgment becomes final. The municipality or franchised  
18 utility must provide to each customer of the retail public utility  
19 being acquired an individual written notice within 60 days after  
20 the effective date for the transfer specified in the court  
21 judgment. The notice must clearly advise the customer of the  
22 identity of the new service provider, the reason for the transfer,  
23 the rates to be charged by the new service provider, and the  
24 effective date of those rates.

25 SECTION 2. This Act takes effect September 1, 2019.