H.B. No. 837

AN ACT

relating to the procedure for amending or revoking certificates of public convenience and necessity issued to certain retail public utilities.

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

SECTION 1.  Section 13.254(a-3), Water Code, is amended to read as follows:

(a-3)  Within 60 calendar days from the date the utility commission determines the petition filed pursuant to Subsection (a-1) to be administratively complete, the utility commission shall grant the petition unless the utility commission makes an express finding that the petitioner failed to satisfy the elements required in Subsection (a-1) and supports its finding with separate findings and conclusions for each element based solely on the information provided by the petitioner and the certificate holder. The utility commission may grant or deny a petition subject to terms and conditions specifically related to the service request of the petitioner and all relevant information submitted by the petitioner and the certificate holder. In addition, the utility commission may require an award of compensation as otherwise provided by this section. If the utility commission requires an award of compensation, the utility commission shall require the petitioner to submit a report to the utility commission verifying for the purposes of Subsection (d) that the compensation has been paid to the decertified retail public utility.

SECTION 2.  Section 13.2541(f), Water Code, is amended to read as follows:

(f)  The utility commission may require an award of compensation by the petitioner to the certificate holder in the manner provided by this section. If the utility commission requires an award of compensation, the utility commission shall require the petitioner to submit a report to the utility commission verifying for the purposes of Subsection (j) that the compensation has been paid to the certificate holder.

SECTION 3.  Section 13.255, Water Code, is amended by amending Subsection (c) and adding Subsections (c-1) and (c-2) to read as follows:

(c)  The utility commission shall grant 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 compensation to be paid for such property pursuant to the provisions of this section, including an award for damages to property remaining in the ownership of the retail public utility after single certification. The order of the utility commission shall not be effective to transfer property. A transfer of property may only be obtained under this section by a court judgment rendered pursuant to Subsection (d) or (e). The grant of single certification by the utility commission shall go into effect on the date the municipality or franchised utility, as the case may be, pays adequate and just compensation pursuant to court order, or pays an amount into the registry of the court or to the retail public utility under Subsection (f). If the court judgment provides that the retail public utility is not entitled to any compensation, the grant of single certification shall go into effect when the court judgment becomes final.

(c-1)  The utility commission by rule shall require the municipality or franchised utility to submit a report to the utility commission verifying that the municipality or franchised utility has paid all required adequate and just compensation to the retail public utility as provided by Subsection (c).

(c-2)  The municipality or franchised utility must provide to each customer of the retail public utility being acquired an individual written notice within 60 days after the effective date for the transfer specified in the court judgment. The notice must clearly advise the customer of the identity of the new service provider, the reason for the transfer, the rates to be charged by the new service provider, and the effective date of those rates.

SECTION 4.  This Act takes effect September 1, 2021.

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    President of the Senate Speaker of the House

I certify that H.B. No. 837 was passed by the House on April 16, 2021, by the following vote:  Yeas 142, Nays 3, 2 present, not voting.

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Chief Clerk of the House

I certify that H.B. No. 837 was passed by the Senate on May 19, 2021, by the following vote:  Yeas 31, Nays 0.

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Secretary of the Senate

APPROVED:  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

                    Date

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                  Governor