

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 893
By: Zaffirini
Water, Agriculture & Rural Affairs
4/17/2023
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, the Public Utility Commission (PUC) cannot correct errors on a petition to revoke or to amend a certificate of public convenience and necessity (CCN) without following formal amendment procedures. If there is a mistake on a certification petition, then the applicant may have to undergo a lengthy process to withdraw and to refile the petition. Although there is an expedited amendment option, mapping errors smaller than 25 acres are ineligible for correction this way.

S.B. 893 would authorize PUC to correct nonsignificant technical and clerical errors in CCNs, allowing the agency to, at its discretion, prevent unnecessary and burdensome paperwork. What's more, it could help ensure that the service providers operate with correct and up-to-date information without burdensome paperwork processes. This could lead to more accurate billing, better customer service, and improved infrastructure and maintenance of the water and sewer systems. Accordingly, it would result in more dependable and high-quality water and sewer utility services for Texans.

(Original Author's/Sponsor's Statement of Intent)

C.S.S.B. 893 amends current law relating to the correction of a certificate of public convenience and necessity for providing water or sewer utility service.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 13.244, Water Code, by adding Subsections (e) and (f), as follows:

(e) Authorizes the executive director of the Public Utility Commission of Texas (executive director; PUC), at the discretion of the executive director or on the request of the certificate holder, to make a correction to a certificate of public convenience and necessity, without observing formal amendment procedures, by reissuing the certificate or issuing an endorsement to the certificate. Requires the executive director to notify the certificate holder that the correction has been made and ensure that the reissued certificate or endorsement is recorded in the PUC's records. Authorizes the executive director to make a correction under this subsection only:

(1) to correct a clerical or typographical error;

(2) to change the name of an incorporated certificate holder on a certificate if:

(A) an amendment to the certificate holder's articles of incorporation or certificate of formation, as applicable, is filed with the secretary of state (SOS) that only changes the name of the certificate holder; and

(B) the certificate holder provides verification from SOS to the PUC that the amendment only changed the name of the certificate holder;

(3) to correct a mapping error in a certificate to reflect the metes and bounds of the certificated area; or

(4) to correct another similar nonsubstantive error or matter if authorized by the PUC by rule.

(f) Prohibits the executive director from making a correction under Subsection (e)(3) unless the certificate holder submits to the executive director a written agreement between all affected persons about the correction and provides notice of the correction to any customers of the certificate holder affected by the correction.

SECTION 2. Amends Section 13.246(j), Water Code, as follows:

(j) Provides that Section 13.246 (Notice and Hearing; Issuance or Refusal; Factors Considered) does not apply to an application under Section 13.258 (Utility's Application for Amendment and Use of Municipal Utility District's Certificate under Contract) or a correction under Section 13.244(e).

SECTION 3. Effective date: upon passage or September 1, 2023.