

BILL ANALYSIS

Senate Research Center
81R1558 TRH-D

S.B. 717
By: Nichols
Natural Resources
3/29/2009
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Under existing law, a water or sewer utility can consolidate one or more systems under one tariff if the utility proves that the systems are substantially similar in terms of facilities, quality of service, and cost of service.

Recent Texas Commission on Environmental Quality rulings have led to some ambiguity as to when the systems must be proven substantially similar.

As proposed, S.B. 717 authorizes a utility to consolidate more than one system under a single tariff if the regulatory authority finds that at the time the utility applies for a uniform tariff, all of the systems under the tariff are substantially similar in terms of facilities, quality of services, and cost of 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 13.145(a), Water Code, to authorize a utility to consolidate more than one system under a single tariff only if the regulatory authority finds that at the time the utility applies for a uniform tariff, all of the systems under the tariff are substantially similar in terms of facilities, quality of service, and cost of service.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2009.