

By: Harless

H.B. No. 1149

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the establishment of integrated rate areas subject to
3 the original jurisdiction of the Railroad Commission of Texas.

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

5 SECTION 1. Section 102.001, Utilities Code, is amended by
6 amending Subsection (a) and adding Subsections (c) and (d) to read
7 as follows:

8 (a) The railroad commission has exclusive original
9 jurisdiction over the rates and services of a gas utility:

10 (1) that distributes natural gas or synthetic natural
11 gas in:

12 (A) areas outside a municipality; ~~and~~

13 (B) areas inside a municipality that surrenders
14 its jurisdiction to the railroad commission under Section 103.003;
15 and

16 (C) an integrated rate area established under
17 Subsection (c); and

18 (2) that transmits, transports, delivers, or sells
19 natural gas or synthetic natural gas to a gas utility that
20 distributes the gas to the public.

21 (c) A gas utility may identify and establish an integrated
22 rate area that includes one or more municipalities and related
23 unincorporated areas for which the railroad commission has
24 exclusive original jurisdiction to establish the gas utility's

1 rates on an area-wide basis. The integrated rate area is
2 established on the date the gas utility files notice of the area's
3 establishment with the railroad commission. The notice must define
4 the boundaries of the integrated rate area and identify each
5 municipality included in the area. The gas utility must deliver a
6 copy of the notice to each municipality included in the area.

7 (d) A notice of intent to increase rates filed under Section
8 104.103 does not constitute notice under Subsection (c).

9 SECTION 2. Section 103.001, Utilities Code, is amended to
10 read as follows:

11 Sec. 103.001. MUNICIPAL JURISDICTION. To provide fair,
12 just, and reasonable rates and adequate and efficient services, the
13 governing body of a municipality has exclusive original
14 jurisdiction over the rates, operations, and services of a gas
15 utility within the municipality, subject to the limitations imposed
16 by this subtitle, unless:

17 (1) the municipality surrenders its jurisdiction to
18 the railroad commission under Section 103.003; or

19 (2) the municipality is included in an integrated rate
20 area established under Section 102.001(c).

21 SECTION 3. This Act takes effect September 1, 2013.