

By: Harless

H.B. No. 1148

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the reimbursement of a municipality's expenses in a
3 ratemaking proceeding for electric or gas utilities.

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

5 SECTION 1. Section 33.023, Utilities Code, is amended by
6 adding Subsections (c) and (d) to read as follows:

7 (c) Notwithstanding Subsection (b), an electric utility is
8 not required to reimburse the municipality under Subsection (b) if
9 the utility, under a contract or franchise with the municipality,
10 has agreed to pay total charges described by Section 182.025, Tax
11 Code, in amounts that exceed the limits prescribed by Section
12 182.025(c), Tax Code.

13 (d) In addition to the limitation prescribed by Subsection
14 (c), an electric utility is not required to reimburse a
15 municipality for the fees and expenses of persons engaged under
16 Subsection (a) unless the municipality:

17 (1) has paid the fees and expenses; or

18 (2) by ordinance, expressly assumes the obligation to
19 pay the fees and expenses and declares that the obligation is not
20 contingent on the municipality's receipt of reimbursement under
21 this section.

22 SECTION 2. Section 103.022, Utilities Code, is amended by
23 adding Subsections (c) and (d) to read as follows:

24 (c) Notwithstanding Subsection (b), a gas utility is not

1 required to reimburse the municipality under Subsection (b) if the
2 utility, under a contract or franchise with the municipality, has
3 agreed to pay total charges described by Section 182.025, Tax Code,
4 in amounts that exceed the limits prescribed by Section 182.025(b),
5 Tax Code.

6 (d) In addition to the limitation prescribed by Subsection
7 (c), a gas utility is not required to reimburse a municipality for
8 the fees and expenses of persons engaged under Subsection (a)
9 unless the municipality:

10 (1) has paid the fees and expenses; or

11 (2) by ordinance, expressly assumes the obligation to
12 pay the fees and expenses and declares that the obligation is not
13 contingent on the municipality's receipt of reimbursement under
14 this section.

15 SECTION 3. Sections 33.023(c) and 103.022(c), Utilities
16 Code, as added by this Act, apply only to reimbursement tied to
17 total charges paid under a contract or franchise entered into or
18 renewed on or after the effective date of this Act. Reimbursement
19 tied to total charges paid under a contract or franchise entered
20 into or renewed before the effective date of this Act is governed by
21 the law in effect on the date the contract was entered into or
22 renewed, and that law is continued in effect for that purpose.

23 SECTION 4. This Act takes effect September 1, 2013.