

SUBJECT: Requiring water utilities and other entities to report a water shortage

COMMITTEE: Natural Resources — committee substitute recommended

VOTE: 10 ayes — Ritter, Johnson, Ashby, D. Bonnen, Callegari, Keffer, T. King, Larson, Lucio, D. Miller

0 nays

1 absent — Martinez Fischer

WITNESSES: For — (*Registered, but did not testify:* Daniel Gonzalez, Texas Association of Realtors)

Against — (*Registered, but did not testify:* Shanna Igo, Texas Municipal League)

On — Linda Brookins, Texas Commission on Environmental Quality

DIGEST: CSHB 252 would require a water utility and each entity from which the utility was obtaining water or sewer service to project the period for which its water supply would meet its customers' needs and notify the Texas Commission on Environmental Quality (TCEQ) if it expected the water supply to run out within 180 days.

TCEQ would adopt rules to implement CSHB 252 and prescribe the form and content of the required notice.

The bill would take effect September 1, 2013.

SUPPORTERS SAY: CSHB 252 would keep TCEQ and the public informed of a utility's ability to meet its customers' water consumption needs by mandating that utilities keep accurate and up-to date projections of available water. Accurate water supply data is imperative during times of water scarcity. The current drought, which could last for years, has led to severe declines in aquifer and reservoir levels, compromising water supplies and delivery to several public water systems. Under current law, utilities self-report their water availability to TCEQ on a voluntary basis. CSHB 252 would require the forecasting and reporting of this vital information.

TCEQ is already equipped to monitor and aid utilities that are experiencing emergency water shortage conditions, but under current law the agency can “strongly encourage” but not require public water systems that have less than 180 days of water on hand to provide regular status updates. It is up to the utility to provide that information voluntarily. Last January, the town of Spicewood Beach experienced an emergency water shortage, but by the time it reported the situation to TCEQ the town had less than a 45-day supply of water. This did not provide enough notice for TCEQ and the Emergency Drinking Water Task Force to aid the town in obtaining a new supply of water, leaving the town to rely on water delivery by truck while developing another solution.

CSHB 252 would not place an unreasonable burden on public water utilities because most already keep accurate data of water availability. Compliance with the bill might be more difficult for a utility that did not have access to the necessary information, but these are precisely the utilities that would be most vulnerable if the current drought persists as expected. It is important that all water suppliers have accurate data on water availability in order to weather current and future droughts. State and federal funding sources are available to help eligible utilities make accurate projections on water availability, and technical and record-keeping assistance are also available.

OPPONENTS
SAY:

CSHB 252 would impose yet another reporting requirement on public utilities with no commensurate level of compensation for time and resources. Utilities already are required to calculate and report water usage annually to the Texas Water Development Board (TWDB). In addition, utilities must submit a drought contingency plan, a water loss audit, a utility profile, and a water use survey to TCEQ and/or TWDB.

According to the Legislative Budget Board, utilities could incur costs associated with additional reporting requirements and performing a water supply assessment, including costs to hire a hydrologist, engineer, or geologist and to meet other technical needs. Some retail public utilities, especially smaller entities, may not have the resources to manage these costs.

NOTES:

The companion bill, SB 1170 by Hegar, was referred to the Senate Natural Resources Committee on March 12.

The committee substitute differs from HB 252 as introduced by specifying that the bill would apply to an entity supplying wholesale water or sewer service to a utility.