

Chapter 1242

AN ACT

1
2 relating to rates and methods of depreciation applied to a retired
3 class of property for regulated water utilities.

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

5 SECTION 1. Subsection (c), Section 13.131, Water Code, is
6 amended to read as follows:

7 (c) The commission shall fix proper and adequate rates and
8 methods of depreciation, amortization, or depletion of the several
9 classes of property of each utility and shall require every utility
10 to carry a proper and adequate depreciation account in accordance
11 with those rates and methods and with any other rules the commission
12 prescribes. Rules adopted under this subsection must require the
13 book cost less net salvage of depreciable utility plant retired to
14 be charged in its entirety to the accumulated depreciation account
15 in a manner consistent with accounting treatment of regulated
16 electric and gas utilities in this state. Those rates, methods, and
17 accounts shall be utilized uniformly and consistently throughout
18 the rate-setting and appeal proceedings.

19 SECTION 2. This Act takes effect immediately if it receives
20 a vote of two-thirds of all the members elected to each house, as
21 provided by Section 39, Article III, Texas Constitution. If this
22 Act does not receive the vote necessary for immediate effect, this
23 Act takes effect September 1, 2009.

David Newhall

President of the Senate

Jim Strawn
Speaker of the House

I hereby certify that S.B. No. 2306 passed the Senate on April 23, 2009, by the following vote: Yeas 30, Nays 0; May 14, 2009, Senate refused to concur in House amendments and requested appointment of Conference Committee; May 18, 2009, House granted request of the Senate; May 30, 2009, Senate adopted Conference Committee Report by the following vote: Yeas 31, Nays 0.

Datsy Saw
Secretary of the Senate

I hereby certify that S.B. No. 2306 passed the House, with amendments, on May 11, 2009, by the following vote: Yeas 144, Nays 1, two present not voting; May 18, 2009, House granted request of the Senate for appointment of Conference Committee; May 23, 2009, House adopted Conference Committee Report by the following vote: Yeas 142, Nays 0, two present not voting.

Robert Haney
Chief Clerk of the House

Approved:

19 JUN '09

Date

RICK PERRY
Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
2PM O'CLOCK

JUN 19 2009

Colby Hunter III