

AGENDA ITEM REQUEST FORM

Hays County Commissioners Court

Tuesdays at 9:00 AM

Request forms are due in Microsoft Word Format via email by 2:00 p.m. on Wednesday.

AGENDA ITEM

Discussion and possible action to adopt a resolution in support of legislation to more fairly balance the interests of ratepayers and private utilities in water and sewer ratemaking proceedings.

ITEM TYPE	MEETING DATE	AMOUNT REQUIRED
ACTION-MISCELLANEOUS	March 26, 2013	

LINE ITEM NUMBER

AUDITOR USE ONLY

AUDITOR COMMENTS:

PURCHASING GUIDELINES FOLLOWED: N/A AUDITOR REVIEW: N/A

REQUESTED BY	SPONSOR	CO-SPONSOR
Mark Jones	JONES	INGALSBE

SUMMARY
(see attachment)

03 26 13

FILED:
HAYS COUNTY COMMISSIONERS' COURT
Resolution # 28888 VOL V PG 122



RESOLUTION OF THE HAYS COUNTY COMMISSIONERS COURT IN SUPPORT OF LEGISLATION TO MORE FAIRLY BALANCE THE INTERESTS OF RATEPAYERS AND PRIVATE UTILITIES IN WATER AND SEWER RATEMAKING PROCEEDINGS.

- WHEREAS**, many citizens of Hays County who reside outside the boundaries of a municipality, i.e., in the “environs” areas, are served by a privately-owned water or sewer company; and
- WHEREAS**, rural customers of private water and sewer companies lack the resources to hire lawyers and consultants to act on their behalf in rate proceedings before state regulatory agencies; and
- WHEREAS**, over the last ten years dozens of small private water and sewer companies have been purchased and aggregated into larger pseudo “systems”; and
- WHEREAS**, the owners of these “systems” are aggressively seeking to monetize their assets; and
- WHEREAS**, the imbalance in rate case resources between large privately-owned utilities and rural customers is a major factor in causing very high rates to be charged to rural customers and in having service quality issues that are not addressed in a timely fashion; and
- WHEREAS**, Senators Robert Nichols and Kirk Watson and other legislators are considering changes that need to be made during this regular session of the Texas Legislature to more fairly balance the interests of ratepayers and private utilities in water and sewer ratemaking proceedings; and
- WHEREAS**, during the 82nd Legislature, the Sunset Advisory Commission recommended that “the State could benefit from transferring regulatory functions related to water and wastewater utilities to PUC”, and subcommittees of the Senate Natural Resources Committee and Business and Commerce Committee held hearings that established support for ending the one-size-fits-all treatment for IOU rate setting and establishing utility classifications based on connection count; and
- WHEREAS**, SB 567 amends current law to transfer functions relating to the economic regulation of water and sewer service from TCEQ to the PUC of Texas, and to the duties of the Office of Public Utility Counsel regarding the economic regulation of water service; and
- WHEREAS**, SB 1164 proposes that the independent Office of Public Utility Counsel represent the interests of residential and small commercial consumers; and
- WHEREAS**, HB 1457 allows the regulatory authority to include for ratemaking purposes only 50 percent of the reasonable and necessary rate case expenses of an investor-owned utility;

NOW, THEREFORE BE IT RESOLVED BY THE HAYS COUNTY COMMISSIONERS' COURT THAT:

1. Hays County encourages and supports, as currently drafted, SB 567, SB 1164, and HB 1457, all of which will more fairly balance the interests of ratepayers and private utilities in water and sewer ratemaking proceedings; and
2. Hays County will continue to support our citizens in their efforts for fair water and sewer rates; which includes ensuring the State maintains its responsibility to represent the interests of residential consumers and, if necessary, re-addressing this issue during the next legislative session if the inequities involving water and sewer rates remain unresolved.

DONE IN OPEN MEETING AND ENTERED THIS, THE 26TH DAY OF MARCH, 2013.



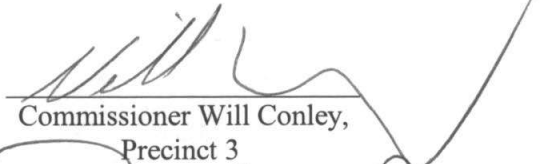
County Judge Bert Cobb M.D.



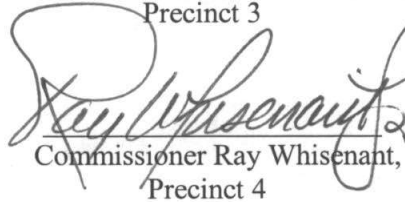
Commissioner Debbie Ingalsbe,
Precinct 1



Commissioner Mark Jones,
Precinct 2



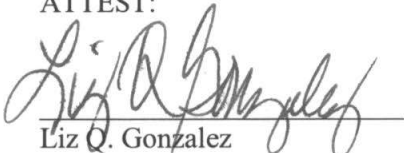
Commissioner Will Conley,
Precinct 3



Commissioner Ray Whisenant,
Precinct 4



ATTEST:



Liz Q. Gonzalez
Hays County Clerk