

## **BILL ANALYSIS**

Senate Research Center  
77R10876 MTB-D

H.B. 2718  
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Natural Resources  
5/9/2001  
Engrossed

### **DIGEST AND PURPOSE**

Renovations of and improvements to existing infrastructure often require the relocation of natural gas pipes. Prior to 1999, the local distribution companies (LDC) owning the pipes were not directly reimbursed for relocation costs. The 76th Legislature authorized a natural gas LDC to recover, through a surcharge on gas volumes sold and transported to customers in the service area where the relocation occurred, the costs that were not reimbursed. Current law gives each appropriate regulatory authority 30 days to deny the application of a gas utility attempting to recover relocation costs. Extending the time frame for regulatory reviews to 35 days would conform the review period to existing state law and bring more uniformity to the Utilities Code. H.B. 2718 provides that an appropriate regulatory authority has 35 days to deny an application of a gas utility attempting to recover relocation costs.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 104.112, Utilities Code, by amending Subsection (d) and adding Subsection (e), as follows:

(d) Requires the regulatory authority, not later than the 35th, rather than 30th, day after the date an application under Subsection (b) is received, to administratively grant or deny the application.

(e) Provides that if the regulating authority does not make a decision before the deadline prescribed by Subsection (d), the application is approved.

SECTION 2. Effective date: September 1, 2001.

Makes application of this Act prospective.