§291.71. General Reports.

(a) Who shall file. The recordkeeping, reporting, and filing requirements listed in this section shall apply only to water and sewer utilities, unless otherwise noted in this subchapter of this chapter.

(b) Report attestation. All reports submitted to the commission shall be attested to by an officer or manager of the utility under whose direction the report is prepared, or if under trust or receivership, by the receiver or a duly authorized person, or if not incorporated, by the proprietor, manager, superintendent, or other official in responsible charge of the utility’s operation.

(c) Due dates of reports. All reports must be received by the commission on or before the dates specified by the executive director.

(d) Information omitted from reports. The commission or the executive director may waive the reporting of any information required in this subchapter if it determines that it is either impractical or unduly burdensome on any utility to furnish the requested information. If any such information is omitted by permission of the commission or the executive director, a written explanation of the omission must be stated in the report.

(e) Special and additional reports. Each utility shall report on forms prescribed by the commission or the executive director special and additional information as requested which relates to the operation of the business of the utility.

(f) Report amendments. Corrections of reports resulting from new information or errors shall be filed on a form prescribed by the commission or the executive director.

(g) Penalty for refusal to file on time. In addition to penalties prescribed by law, the commission may disallow for rate making purposes the costs related to the activities for which information was requested and not timely filed.

Adopted December 6, 1995 Effective January 10, 1996


Every public utility, except a utility operated by an affected county, shall keep uniform accounts as prescribed by the commission of all business transacted. The classification of utilities, index of accounts, definitions, and general instructions pertaining to each uniform system of accounts, as amended from time to time, shall be adhered to at all times, unless provided otherwise by these sections or by rules of a federal regulatory body having jurisdiction over the utility, or unless specifically permitted by the executive director.
(1) Classification. For the purposes of accounting and reporting to the commission, each public water and/or sewer utility shall be classified with respect to its annual operating revenues as follows:

(A) Class A-annual operating revenues exceeding $750,000;

(B) Class B-annual operating revenues exceeding $150,000 but not more than $750,000;

(C) Class C-annual operating revenues not exceeding $150,000;

(2) System of accounts. For the purpose of accounting and reporting to the commission, each public water and/or sewer utility shall maintain its books and records in accordance with the following prescribed uniform system of accounts:

(A) Class A-system of accounts approved by the executive director which will be adequately informative for all regulatory purposes or uniform system of accounts as adopted and amended by the National Association of Regulatory Utility Commissioners for Class A utilities;

(B) Class B-system of accounts approved by the executive director which will be adequately informative for all regulatory purposes or uniform system of accounts as adopted and amended by the National Association of Regulatory Utility Commissioners for Class B utilities;

(C) Class C-system of accounts approved by the executive director which will be adequately informative for all regulatory purposes or uniform system of accounts as adopted and amended by the National Association of Regulatory Utility Commissioners for Class C utilities.

(3) Accounting period. Each utility shall keep its books on a monthly basis so that for each month all transactions applicable thereto shall be entered in the books of the utility.

Adopted December 6, 1995 Effective January 10, 1996

§291.73. Water and Sewer Utilities Annual Reports.

(a) Each utility, except a utility operated by an affected county, shall file a service and financial report by April 1 of each year unless otherwise specified in a form prescribed by the executive director.

(b) Contents of report. The annual report shall disclose the information required on the forms and may include:

(1) the rates that are subject to the original or appellate jurisdiction of the commission for any service, product, or commodity offered by the utility;

(2) rules and regulations relating to or affecting the rates, utility service, product or commodity furnished by the utility;
(3) all ownership and management relationships among the utility and other entities, including individuals, with which the utility has had financial transactions during the reporting period;

(4) all transactions with affiliates, including, but not limited to, payments for costs of any services, interest expense, or for any property, right, or thing;

(5) information on receipts and disbursements of revenues;

(6) all payments of compensation (other than salary or wages subject to the withholding of federal income tax) for legislative matters in Texas or for representation before the Texas Legislature or any governmental agency or body; and

(7) a verified or certified copy of the appropriate permit, issued by the conservation, reclamation, or subsidence district, for each utility which withdraws groundwater from conservation, reclamation, or subsidence districts.

Adopted December 6, 1995 Effective January 10, 1996

§291.74. Maintenance and Location of Records.

Unless otherwise permitted by the commission, all records required by these sections or necessary for the administration thereof shall be kept within the State of Texas at a central location or at the main business office located in the immediate area served. These records shall be available for examination by the commission or its authorized representative between the hours of 8:00 a.m. and 5:00 p.m. Monday through Friday, except holidays. The executive director may consider alternate hours of inspection if the utility provides a written request 72 hours in advance of any scheduled inspection.

Adopted September 27, 2000 Effective October 19, 2000

§291.75. Management Audits.

The commission may inquire into the management and affairs of all utilities and the affiliated interests of those utilities in order to keep itself informed as to the manner and method in which they are conducted and may obtain all information to enable it to perform management audits. The utility and, if applicable, the affiliated interest shall report to the executive director on the status of the implementation of the recommendations of the audit and shall file subsequent reports at the times the executive director considers appropriate.

Adopted December 6, 1995 Effective January 10, 1996

§291.76. Regulatory Assessment.
(a) For the purpose of this section, utility service provider means a public utility, water supply or sewer service corporation as defined in the Water Code, §13.002, or a district as defined in the Water Code, §49.001.

(b) Except as otherwise provided, a utility service provider which provides potable water or sewer utility service shall collect a regulatory assessment from each retail customer and remit such fee to the commission under the provisions of this section.

(c) A utility service provider is prohibited from collecting a regulatory assessment from the state or a state agency or institution.

(d) Amounts payable to the commission shall be based on the following:

(1) for a public utility as defined in the Water Code, §13.002, 1.0% of the charge for retail water and sewer service;

(2) for a water supply or sewer service corporation as defined in the Water Code, §13.002, 0.5% of the charge for retail water and sewer service;

(3) for a district as defined in the Water Code, §49.001, 0.5% of the charge for retail water and sewer service.

(e) The amount payable to the commission shall be based on the amounts actually collected by the utility service provider during the payment period.

(f) The amount payable shall be based on water and sewer service charges to retail customers only, and shall not be based on:

(1) associated delinquent, penalty or interest charges;

(2) tap fees, standby fees, impact fees, extension fees, capital improvement surcharges, itemized solid waste collection fees, or other unrelated charges; or

(3) wholesale charges from one utility service provider to another.

(g) The utility service provider may include the assessment as a separate line item on a customer's bill or include it in the retail charge.

(h) The utility service provider shall be responsible for keeping proper records of the annual charges and assessment collections for retail water and sewer service and provide such records to the commission upon request.

(i) The full amount payable for the 12 calendar months of each year must be remitted to the commission by January 30th of the following year.
(j) The utility service provider shall pursue collection of the assessment from the customer in the same manner and with the same diligence that it pursues collection of other service charges.

(k) If assessments collected in the 12 months prior to January 1 of each year are not received by the commission by January 30th of that year, the utility service provider shall be assessed penalties and interest in accordance with Chapter 12 of this title (relating to Payment of Fees).

(l) The regulatory assessment does not apply to water that has not been treated for the purpose of human consumption.

(m) A utility service provider is exempt from the provisions of this section if such provider:

1. does not own and has no responsibility for operation and maintenance of the facilities necessary in providing water and sewer utility service, including distribution and collection systems;

2. does not maintain a security interest in the facilities necessary in providing water and sewer utility service;

3. has no authority to set the retail customer's rates; and

4. does not make policy decisions regarding water and sewer services.

(n) If it appears that a utility service provider has violated this section, the commission may request a civil suit to be brought in a court of competent jurisdiction for injunctive or other appropriate relief.

1. At the request of the commission the attorney general shall bring and conduct the suit in the name of the state.

2. The suit may be brought in Travis County or in the county in which the defendant resides.

Adopted January 13, 1999

Effective February 4, 1999