

**SUBCHAPTER H: FINANCING RIO GRANDE
 WATERMASTER OPERATIONS
 §§303.71 - 303.73
 Effective October 26, 2006**

§303.71. Costs of Administration.

Under the Texas Water Code, §11.329, holders of water rights that are administered by the Rio Grande watermaster shall reimburse the commission for the expenses of the watermaster operation. An assessment account shall be established for each water right, or for each authorization thereunder by category of use. The commission shall not assess costs against a holder of a non-priority hydroelectric right that owns or operates privately-owned facilities that collectively have a capacity of less than two megawatts. The assessment for each account shall be the sum of a uniform base charge and, as applicable, a use fee and a storage fee. Following a public meeting, the commission shall issue an order approving the assessment income needed for the Rio Grande Watermaster for the next fiscal year. The order shall also specify the base charge per account and the reinstatement fee for delinquent assessment payment. At least 30 days prior to the commission holding such a meeting, the executive director shall file with the commission a copy of the proposed budget.

Adopted January 16, 2002

Effective February 6, 2002

§303.72. Determination of Assessment Rates.

(a) After a commission order is issued approving the assessment income needed for the next fiscal year, the executive director shall calculate assessment rates for water use and storage based on the following formula:

$$\text{Municipal Assessment Rate} = \frac{I - M(N)}{(\text{RF}_s)(\text{AF}_s) + \text{AF}_1 + (\text{RF}_2)(\text{AF}_2) + (\text{RF}_3)(\text{AF}_3) \dots (\text{RF}_n)(\text{AF}_n)}$$

Where:

- I : Income needed to meet the adopted budget
- M : Base charge per account
- N : Total number of accounts to be assessed in the water division
- n : Code number corresponding to a category or type of use
- RF_n : Rate factor for each of the following categories of use:
 - municipal - RF₁ = 1.00
 - industrial - RF₂ = 1.00
 - irrigation - RF₃ = 0.80
 - mining - RF₄ = 1.00
 - hydroelectric - RF₅ = 0.05

recreation	-	RF ₆	=	1.00
recharge	-	RF ₇	=	0.50
salt water	-	RF ₈	=	0.10
spreader dam diversion	-	RF ₉	=	0.40
secondary use	-	RF ₁₀	=	0.50
water-in-transit discharge	-	RF ₁₁	=	1.00
water-in-transit diversion	-	RF ₁₂	=	1.00
on-channel storage	-	RF _s	=	0.40

AF_n : Total water division authorization to be assessed for each of the above categories of use, which are used in this section as follows:

Municipal--The total amount of water authorized for diversion under a water right for this purpose.

Industrial, Mining, Recreation, or Salt Water Diversions--The total amount of water authorized for consumptive use for each of these categories of use under a water right; in the event there is no specific authorization for consumptive use, the assessment shall be based on the total amount of water authorized for diversion under the water right;

Irrigation, Hydroelectric, Recharge, Spreader Dam Diversions, or Secondary Use--The total amount of water authorized for diversion for each of these categories of use under a water right;

On-channel Storage--The total amount authorized for impoundment under a water right; this category only includes on-channel reservoirs authorized under the Texas Water Code, §11.121;

Water-in-Transit Discharge--The total amount of water authorized for discharge under a water right for water-in-transit;

Water-in-Transit Diversion--The total amount of water authorized for diversion under a water right for water-in-transit.

(b) After the assessment rate of municipal use has been determined, the assessment rates for the other uses and for storage shall be calculated by multiplying the municipal assessment rate times rate factor for each use and for storage.

(c) On or before September 1, 1989, the commission shall review this section for any appropriate changes.

Adopted October 4, 2006

Effective October 26, 2006

§303.73. Assessment of Costs.

(a) To determine the amount of assessment for each account, computations shall be made by adding together the following elements:

(1) the base charge per account as specified in the commission order adopted in accordance with §303.71 of this title (relating to Costs of Administration);

(2) the use fee, which is calculated by multiplying the total amount of water authorized for use under that account by the appropriate assessment rate as determined by §303.72 of this title (relating to Determination of Assessment Rates); and,

(3) the storage fee, which is calculated by multiplying the total amount of water authorized for storage under that account by the storage assessment rate as determined by §303.72 of this title (relating to Determination of Assessment Rates). For any water right authorizing storage and also more than one type of use, a storage fee for the total storage authorization shall be applied to only one of the assessment accounts associated with that water right.

(b) The annual assessment shall be paid to the executive director in advance of expenditures. The executive director shall specify the dates by which payments shall be due, and may provide for payments in installments. Penalties and interest for the late payment of fees shall be assessed in accordance with Chapter 12 of this title (relating to Payment of Fees). If fees are paid in installments, penalties and interest for late payment shall be computed on the amount of the installment due. The executive director shall transmit all collections to the state treasurer to be held in a special fund to provide for the cost of the Rio Grande watermaster operation.

(c) For diversions of no-charge water in accordance with the August 4, 1981 Texas Water Commission order and any subsequent orders relating to the intermittent temporary diversion and use of Rio Grande waters, and for diversions of excess flow water in accordance with water rights authorizing such diversions, assessments will be levied in the fiscal year following the year of the diversion, and will be based on the amount shown by watermaster records to have been diverted. Assessment rates for no-charge and excess flow usage will be the same as for regulating assessments for the particular uses to which the no-charge or excess flow water was applied during the year of the diversion. No assessments will be made for use of less than 50 acre-feet of no-charge or excess flow water, and no base charge or storage fee will be applied. The amount of assessment income for no-charge and excess flow uses will not be considered directly in determining the amount of income needed under §303.71 of this title (relating to Costs of Administration).

(d) Water shall not be diverted, taken, stored, or used by any diverter or agent while any assessment payment is delinquent; neither shall an allottee be allocated any additional water or delivered any water until all assessments, plus any applicable reinstatement fees, are received by the executive director. Once the assessments and reinstatement fees are paid in full, an allottee's requests for water will be honored only to the extent water remained in the storage account before the first date of the delinquency in payments, and to the extent water remained in the storage account under §303.22 of this title (relating to Allocations to Accounts). An allottee's storage account will be reduced to zero if the assessment and any applicable reinstatement fees are not paid within a one-year period after the first assessment due date.

(e) On or before September 1, 1989, the commission shall review this section for any appropriate changes.

Adopted January 22, 1997

Effective February 14, 1997