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January 14, 2003

Ms. Blanca Bayo, Director  
Commission Clerk and Administrative Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

**HAND DELIVERY**

JAN 14 PM 4:16  
COMMISSION  
CLERK

Re: Docket No. 020761-WS

Dear Ms. Bayo:

Enclosed for filing on behalf of Florida Water Services Corporation ("Florida Water") in the above-styled docket, please find Texas statute Section 13.502, Water Code in its enrolled version and its final version.

Please acknowledge receipt of these documents by stamping the extra copy of this letter "filed" and returning the copy to me.

- AUS \_\_\_\_\_
- CAF \_\_\_\_\_
- CMP \_\_\_\_\_
- COM \_\_\_\_\_
- CTR \_\_\_\_\_
- ECR \_\_\_\_\_
- GCL \_\_\_\_\_
- OPC \_\_\_\_\_
- MMS \_\_\_\_\_
- SEC
- OTH \_\_\_\_\_

Thank you for your assistance with this filing.

Sincerely,

*Martin P. McDonnell*  
Martin P. McDonnell

MPM/rl  
Enclosures  
cc: Ms. Shannon Hudson

Flawater\Bayo.1014

RECEIVED & FILED

DOCUMENT NUMBER: DATE

  L-V.N.    
FPSC-BUREAU OF RECORDS 00433 JAN 14 8

FPSC-COMMISSION CLERK

**SUBTITLE B. WATER RIGHTS**

**CHAPTER 13. WATER RATES AND SERVICES**

**SUBCHAPTER M. SUBMETERING AND NONSUBMETERING FOR APARTMENTS AND  
MANUFACTURED**

**HOME RENTAL COMMUNITIES AND OTHER MULTIPLE USE FACILITIES**

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Current through End of 2001 Regular Session.

**§ 13.502. Submetering**

(a) An apartment house owner, manufactured home rental community owner, multiple use facility owner, or condominium manager may provide for **submetering** of each dwelling unit or rental unit for the measurement of the quantity of water, if any, consumed by the occupants of that unit.

(b) Except as provided by Subsections (c) and (d), a manager of a condominium or the owner of an apartment house, manufactured home rental community, or multiple use facility, on which construction begins after January 1, 2003, shall provide for the measurement of the quantity of water, if any, consumed by the occupants of each unit through the installation of:

(1) submeters, owned by the property owner or manager, for each dwelling unit or rental unit; or

(2) individual meters, owned by the retail public utility, for each dwelling unit or rental unit.

(c) An owner of an apartment house on which construction begins after January 1, 2003, and which provides government assisted or subsidized rental housing to low or very low income residents shall install a plumbing system in the apartment house that is compatible with the installation of submeters for the measurement of the quantity of water, if any, consumed by the occupants of each unit.

(d) On request by the property owner or manager, a retail public utility shall install individual meters owned by the utility in an apartment house, manufactured home rental community, multiple use facility, or condominium on which construction begins after January 1, 2003, unless the retail public utility determines that installation of meters is not feasible. If the retail public utility determines that installation of meters is not feasible, the property owner or manager shall install a plumbing system

that is compatible with the installation of submeters or individual meters. A retail public utility may charge reasonable costs to install individual meters.

(e) An owner of an apartment house, manufactured home rental community, or multiple use facility or a manager of a condominium may not change from submetered billing to allocated billing unless:

(1) the executive director approves of the change in writing after a demonstration of good cause, including meter reading or billing problems that could not feasibly be corrected or equipment failures; and

(2) the property owner meets rental agreement requirements established by the commission.

### CREDIT(S)

#### 2000 Main Volume

Amended by Acts 1989, 71st Leg., ch. 567, § 43, eff. Sept. 1, 1989; Acts 1999, 76th Leg., ch. 86, § 1, eff. Aug. 30, 1999.

#### 2003 Electronic Pocket Part Update

Amended by Acts 2001, 77th Leg., ch. 873, § 1, eff. Sept. 1, 2001.

### HISTORICAL AND STATUTORY NOTES

#### 2003 Electronic Pocket Part Update

#### 2001 Legislation

Acts 2001, 77th Leg., ch. 873, designated subsec. (a) and added subsecs. (b) to (e).

Section 3(b) of Acts 2001, 77th Leg., ch. 873 provides:

"The Texas Natural Resource Conservation Commission shall enact rules to implement Section

13.506, Water Code, as added by this Act, and the changes in law made by this Act to Section 13.502, Water Code, not later than September 1, 2002."

2000 Main Volume

The 1989 amendment deleted "or a" following "house owner", inserted ", multiple use facility owner, or condominium manager", inserted "or rental unit", and deleted "dwelling" following "occupants of that".

Acts 1999, 76th Leg., ch. 86, in the introductory paragraph, substituted "manufactured home rental community" for "mobile home park".

V. T. C. A., Water Code § 13.502

TX WATER § 13.502

END OF DOCUMENT

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## AN ACT

relating to the submetering and allocation of water service in apartment houses, manufactured home rental communities, condominiums, and other multiple use facilities.

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

SECTION 1. Section 13.502, Water Code, is amended to read as follows:

Sec. 13.502. SUBMETERING. (a) An apartment house owner, manufactured home rental community owner, multiple use facility owner, or condominium manager may provide for submetering of each dwelling unit or rental unit for the measurement of the quantity of water, if any, consumed by the occupants of that unit.

(b) Except as provided by Subsections (c) and (d), a manager of a condominium or the owner of an apartment house, manufactured home rental community, or multiple use facility, on which construction begins after January 1, 2003, shall provide for the measurement of the quantity of water, if any, consumed by the occupants of each unit through the installation of:

(1) submeters, owned by the property owner or manager, for each dwelling unit or rental unit; or

(2) individual meters, owned by the retail public utility, for each dwelling unit or rental unit.

(c) An owner of an apartment house on which construction begins after January 1, 2003, and which provides government assisted or subsidized rental housing to low or very low income residents shall install a plumbing system in the apartment house that is compatible with the installation of submeters for the measurement of the quantity of water, if any, consumed by the occupants of each unit.

(d) On request by the property owner or manager, a retail public utility shall install individual meters owned by the utility in an apartment house, manufactured home rental community, multiple use facility, or condominium on which construction begins after January 1, 2003, unless the retail public utility determines that installation of meters is not feasible. If the retail public utility determines that installation of meters is not feasible, the property owner or manager shall install a plumbing system that is compatible with the installation of submeters or individual meters. A retail public utility may charge reasonable costs to install individual meters.

(e) An owner of an apartment house, manufactured home rental community, or multiple use facility or a manager of a condominium may not change from submetered billing to allocated billing unless:

(1) the executive director approves of the change in writing after a demonstration of good cause, including meter reading or billing problems that could not feasibly be corrected or equipment failures; and

(2) the property owner meets rental agreement requirements established by the commission.

SECTION 2. Subchapter M, Chapter 13, Water Code, is amended by adding Section 13.506 to read as follows:

Sec. 13.506. PLUMBING FIXTURES. (a) After January 1, 2003, before an owner of an apartment house, manufactured home rental community, or multiple use facility or a manager of a condominium may implement a program to bill tenants for submetered or allocated water service, the owner or manager must:

(1) meet the standards prescribed by Section 372.002, Health and Safety Code, for sink or lavatory faucets, faucet aerators, and showerheads; and

(2) perform a water leak audit of each dwelling unit or rental unit and each common area and repair any leaks found.

(b) Not later than the first anniversary of the date an owner of an apartment house, manufactured home rental community, or

3-13 multiple use facility or a manager of a condominium begins to bill  
 3-14 for submetered or allocated water service under Subsection (a), the  
 3-15 owner or manager shall:  
 3-16 (1) remove any toilets that exceed a maximum flow of  
 3-17 3.5 gallons of water per flushing; and  
 3-18 (2) install 1.6-gallon toilets that meet the standards  
 3-19 prescribed by Section 372.002, Health and Safety Code.  
 3-20 (c) Subsections (a) and (b) do not apply to a manufactured  
 3-21 home rental community owner who does not own the manufactured homes  
 3-22 located on the property of the manufactured home rental community.  
 3-23 SECTION 3. (a) This Act takes effect September 1, 2001.  
 3-24 (b) The Texas Natural Resource Conservation Commission shall  
 3-25 enact rules to implement Section 13.506, Water Code, as added by  
 3-26 this Act, and the changes in law made by this Act to Section  
 3-27 13.502, Water Code, not later than September 1, 2002.

\_\_\_\_\_  
 President of the Senate

\_\_\_\_\_  
 Speaker of the House

I certify that H.B. No. 2404 was passed by the House on May 5, 2001, by a non-record vote; that the House refused to concur in Senate amendments to H.B. No. 2404 on May 24, 2001, and requested the appointment of a conference committee to consider the differences between the two houses; and that the House adopted the conference committee report on H.B. No. 2404 on May 27, 2001, by a non-record vote.

\_\_\_\_\_  
 Chief Clerk of the House

I certify that H.B. No. 2404 was passed by the Senate, with amendments, on May 22, 2001, by the following vote: Yeas 30, Nays 0, 1 present, not voting; at the request of the House, the Senate appointed a conference committee to consider the differences between the two houses; and that the Senate adopted the conference committee report on H.B. No. 2404 on May 27, 2001, by a viva-voce vote.

\_\_\_\_\_  
 Secretary of the Senate

APPROVED: \_\_\_\_\_

\_\_\_\_\_  
 Date

\_\_\_\_\_  
 Governor