



Texans Shouldn't Pay for the PUC and ERCOT's \$46 Billion Mistake

About TXFEB

Texans for Fair Energy Billing (TXFEB) is a statewide consumer coalition amplifying the voices of Texans impacted by inflated energy prices by advocating for the Texas Legislature to mitigate the harms of auxiliary energy charges from the February 2021 winter storm.

TXFEB educates consumers on how the PUCT erroneously instructed the power grid operator to fix prices at \$9,000 per megawatt per hour. State Energy Regulators claim this decision was necessary to incentivize more generators to come online. In reality, none did, and lives were lost. Now, ratepayers and taxpayers will foot the bill for years to come.

The Texas Legislature must act to protect Texas consumers and the economy from the effects of ancillary charges.

Protect Texas Consumers

- **Texans are already hurting, and they cannot afford the bills we'll be forced to pass along.**
- Before the blackout, over 600,000 Texans enrolled in the PUC's COVID Electricity Relief program¹ because they could not afford to pay their electricity bill. **Raising the price of electricity for thousands of Texans will result in more Texans enrolling in state assistance programs** - passing the cost on to the State - or worse, having their electricity shut off - creating widespread health and education concerns at the worst time in State history.
- At present, the total bill is \$50.6 billion² in artificially increased costs due to the decisions and actions of the PUC and ERCOT during the week of Feb. 14, 2021, a **1,100 percent increase which breaks down to about \$4,600 per Texas household** on the ERCOT grid for the one week, a price tag that the majority cannot afford.

¹ A Look Back at the PUC's Response to COVID-19. 2021. <https://www.puc.texas.gov/images/facts/PUCTX-COVID19-FAQ-FAQ.pdf>

² Texans Will Pay for Decades as Crisis Tacks Billions Onto Bills. Feb. 22, 2021.

<https://www.bloomberg.com/news/articles/2021-02-22/texans-will-pay-for-the-state-s-power-crisis-for-decades-to-come>



Preserve Texas' Freemarket

- **Small retail companies make up one-fifth.³ (around 20%) of the retail market,** and the \$16 billion² overpricing from Winter Storm Uri, a 1100 percent increase over normal value, means that many of these companies can't afford to pay for generators or transmission company chargers.
- When small companies are forced into bankruptcy, their customers are forced onto another provider known as 'providers of last resort.' This would result in an **electricity monopoly in Texas and will likely draw anti-trust regulators' attention,** causing Federal interference in the State market.
- In addition to creating an energy monopoly, **the closure of retail power plants means a loss of thousands of jobs in Texas** at a time when the State's annual economic growth rate is -4.3%.⁴

Texas Leaders Must Take Action

- **Leaders need to investigate those involved** in the energy regulator's actions during the Feb. 13, 2021, Winter Storm Uri.
- The Legislature also needs to **take action to mitigate the harmful impacts of ancillary charges** being passed on to energy companies and consume.

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³ Public Utility Commission Decision May Enable Largest Electricity Providers In Texas To Become More Powerful. Feb. 21, 2021 <https://www.houstonpublicmedia.org/articles/news/energy-environment/2021/02/21/391935/public-utility-commission-decision-may-enable-largest-electricity-providers-in-texas-to-become-more-powerful/>

⁴ Texas Labor Market Information. January 2021. <https://texaslmi.com/>