

Delaying Retail Electric Competition in the Entergy Texas Service Area

HB 4233 by Rep. Ritter

AECT Position: Neutral

Proposal

- HB 4233 would delay activities related to the transition to competition in the Entergy Texas region, located within the SERC Reliability Corporation (formerly Southeastern Electric Reliability Council).
- In order for the Entergy Texas service area to transition to retail electric competition, the Texas Legislature must enact legislation authorizing the implementation of retail competition by the utility.
- HB 4233 also requires that the Entergy Texas service territory remain in SERC.

Discussion

- From 1999 to the present, Entergy has attempted to move to electric competition at great expense to itself and its customers.
- The Public Utility Commission of Texas (PUC) delayed competition due to concerns about readiness in the area including a lack of participation in the pilot program.
- No acceptable power region has been identified in ten years despite numerous attempts.
- This area of the state shares jurisdiction with the Federal Energy Regulatory Commission (FERC) on certain issues which complicates the situation.
- A proposal to move to the Electric Reliability Council of Texas (ERCOT) grid met with virtually no support.
- Uncertainty about the regulatory framework for an area impedes and delays decisions on infrastructure, including transmission projects and generation needs.

AECT Position

- AECT is neutral on HB 4233.