

Texas is the Only State in the Region Without Modern Ratemaking Mechanisms

Compared with other states in the Southeast and South Central United States, Texas is an outlier. While other states have modernized some portion of their electric ratemaking, the non-ERCOT regions of Texas lack the tools to ensure they can operate healthy electric utilities to serve their customers.

State	Formula Rate Plans (retail)	Forward Test years	Multiyear Rate Plans	Interim Rates
Texas	No	No	No	No
New Mexico	No	Yes	No	No
Colorado	No	Yes	Yes – Freeze Plans	Yes
Oklahoma	No	No	No	Yes
Arkansas	Yes	Yes	No	Yes
Louisiana	Yes	No	No	Yes
Mississippi	Yes	Yes	No	No
Alabama	Yes	Yes	No	Yes

Sources: Edison Electric Institute, "Alternative Regulation for Evolving Utility Challenges: An Updated Survey" (January 2013); SNL Regulatory Research Associates, Information as of January 22, 2015; Updated to reflect Arkansas Legislature's passage of Formula Rate Plan and a Forward Test Year mechanisms

Support Modernized Ratemaking in Non-ERCOT Regions Support CSHB 1535 by Frullo

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