



To: The Honorable Todd Hunter, Chair
Members, House Committee on State Affairs
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The Sierra Club Supports HB 4862 by Shelby

Relating to reporting by the market monitor of potential manipulation of the wholesale electric market.

The Sierra Club supports this bill. We agree that our enforcement and monitoring of the energy market should be improved to better protect consumers. The bill accomplishes this by requiring reports by the independent market monitor (IMM) and the Public Utility Commission (PUC) on potential violations and enforcement actions. Under current law, there is no statutory requirement that these activities be made public or published with the PUC. HB 4862 requires the IMM's existing report to the PUC to include the number and type of potential market manipulations and all discovered or potential violations of PUC or ERCOT rules, be in writing, and sent to PUC staff. It also requires the PUC to produce an annual public report on February 1st of each year that includes the number of instances in which the IMM reported potential market manipulation to the PUC or PUC staff; the laws, regulations, and ERCOT requirements alleged to have been violated; and the number of violations where the PUC or PUC staff initiated enforcement action.

We would also support adding an Independent Market Monitor for the gas supply either as part of this bill or other bills. Several bills have been filed that would accomplish this task and we would suggest adding that language to HB 4862.