



SIERRA CLUB

LONE STAR CHAPTER

To: The Honorable Todd Hunter, Chair, Committee on State Affairs
Members, Committee on State Affairs

March 15th, 2023

From: Cyrus Reed, Lone Star Chapter, Sierra Club

Re: PUC Sunset Bill (HB 1500 by Holland)

The Sierra Club was an active participant in the sunset process and believes that HB 1500 by Justin Holland (and the expected Committee Substitute which makes minor changes) is an important part of fixing our grid by making the PUCT more responsive to the public and improving transparency. We have long felt the agency has lacked effective communication and outreach to the public, at times as made decisions with little transparency, and conducts meeting that are not conducive to public engagement.

We fully support the bill and in particular are appreciative of the following sections:

- Section 1 - PUC sunset - 2029 Date
- Section 3 - Public Input on any agenda item
- Section 4- Reporting requirements
- Section 5 - Strategic Communications Plan
- Section 6 - OPUC sunset - 2029
- Section 7 - Adds an additional PUCT commissioners to board, clarifies that ERCOT protocols and other actions are subject to PUCT oversight and approval.
- Section 8 - Allows ERCOT to have closed executive meetings for certain decisions
- Section 9 - Assures that all PUCT directives to ERCOT must be in writing and there must be an opportunity for stakeholder input
- Section 20 - Emergency Water Administration

The PUCT for too long has not put the public first and in particular Sections 2, 5 and 9 will assure better transparency.

Still the sunset bill by itself will not be enough to improve the agency and fully funding the agency's Legislative Appropriations Request - which hopefully will be approved by the Committee on Appropriations this week - will be key toward making the agency more responsive to the public. In addition, we hope that the agency will improve its website and make it easier to comment on proposed rules or projects.

Potential “small” amendments

Section 4 - As we have mentioned to the bill's authors, requiring that as part of the large scope of competition report it includes information about compliance and enforcement activities, and efforts at residential demand response and energy efficiency could be an important reporting requirement.

Section 5 - While we appreciate the requirement for a communication plan, having specific reference to an Office of Public Engagement and some language about the need for language access could be an improvement to the bill.

Section 7 -We would support having one of the ERCOT board members besides the OPUC ex-officio counsel be named to represent residential and small business consumers, or at the very least require that a component of ERCOT board membership be familiarity with residential cost issues.

Other potential issues

While we understand there is separate legislation or appropriations discussions on these issues we would suggest considering adding language to the Sunset bill that would:

1. Require the creation of an Office of Public Engagement;
2. Create a Texas Energy Efficiency Council;
3. Create an Independent Gas Supply Market Monitor
4. Create a Gas Desk at ERCOT.

We understand that the author is wanting to keep the bill focused solely on the issues voted on by the Commissioners, but we wanted to take the opportunity for the committee to consider these additional requests.

That being said, the Sierra Club supports the bill as filed, and what we understand to be the committee substitute.